

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-36605
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2974
7. Lease Name or Unit Agreement Name Canyon BJK State
8. Well Number 1Y
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Bone Spring

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 South Fourth Street, Artesia, NM 88210

4. Well Location  
Unit Letter A : 330 feet from the North line and 360 feet from the East line  
Section 1 Township 25S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3140'GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Completion Operations ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10/27/08 - Tagged DV tool at 6470'.  
10/28/08 - Drilled out DV tool. Tested casing to 1500 psi for 30 min. Tagged PBTD at 9260'.  
10/30/08 - TOC at 2840' CBL. Perforated Bone Spring 8769'-8772' (4), 8776'-8780' (5), 8820'-8824' (5), 9024'-9026' (3), 9038'-9040' (3), 9053'-9055' (3) and 9171'-9189' (19).  
11/2/08 - Spotted 500g 15% IC acid. Acidized with 2000g 15% acid.  
11/7/08 - Frac Bone Spring with 58,800g Delta Frac 200 and 89,601# 20/40 Expedite. Perforated Bone Spring 7960'-7964' (5), 8192'-8194' (3), 8211'-8216' (5), 8302'-8314' (13) and 8328'-8330' (3). Frac with 55,772g Delta Frac 200 and 90,238# 20/40 Expedite. Perforated Bone Spring 7306'-7325' (20). Frac with 32,133g Delta Frac 200 and 30,000# 20/40 Expedite. 5-1/2" AS-1 10K packer with 2.25" on/off tool and 2-7/8" tubing at 7222'.

ACCEPTED FOR RECORD

Spud Date: 9/14/08 Rig Release Date: 10/9/08  
Gerry Glue, Deputy Field Inspector  
NMOCD-District II ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE November 17, 2008

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_