

Submit 1 Copy 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
October 13, 2009

PM

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

WELL API NO. 30-015-36913
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bonbon BNN State Com
8. Well Number 1H
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	RECEIVED MAR 17 2010 NMOCD ARTESIA
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Surface M : 660 feet from the South line and 330 feet from the West line BHL P : 660 feet from the South line and 330 feet from the East line Section 27 Township 25S Range 28E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc) 2946' 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: Set conductor, surface and intermediate casing ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/10/10 – Spudded 26” hole at 7:00 AM. Reamed 18” hole to a depth of 116.5’ RKB.

2/11/10 – Set and cemented with redi-mix 20” conductor at 116.5 RKB.

2/20/10 – TD 17-1/2” hole to 417’ at 10:00 PM. Set 13-3/8” 48# J-55 ST&C casing at 417’. Cemented with 165 sx Class “C” + 0.125% D130 + 3.76#/sx D20 + 94#/sx D903 + 0.94#/sx S1 (yld 1.96, wt 12.9). Tailed in with 200 sx Class “C” + 94#/sx D903 + 0.94#/sx S1 (yld 1.34, wt 14.8). Cement circulated to surface. Tested casing to 600 psi for 30 min. WOC 30 hrs, 45 min. Reduced hole to 11” and resumed drilling.

2/22/10 – TD 11” hole to 2400’.

2/23/10 – Set 8-5/8” 32# J-55 ST&C casing at 2400’. Cemented with 505 sx Class “C” + 28# D132 + 61# D903 (yld 2.08, wt 12.6).

Tailed in with 200 sx Class “C” + 1% D013 (yld 1.33, wt 14.8). Cement circulated to surface. Tested casing, start pressure 1525 psi and end pressure 1525 psi. WOC 26 hrs, 55 min. Reduced hole to 7-7/8” and resumed drilling.

Spud Date:

Rig Release Date:

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 March 15, 2010

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

For State Use Only

APPROVED BY: Donald Gray TITLE Field Supervisor DATE 3-18-2010

Conditions of Approval (if any):