

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

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

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)		WELL API NO. 30-015-37591
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No.
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Sherpa BOY State
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>12</u> Township <u>25S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3113'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Avalon Shale

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: Production 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.

5/7/10 – Reached TVD 8-3/4" hole to 8500'.

5/9/10 – Set isolation plug with 140 sx Class "H" with additives from 6723'-6923'. Set cement kickoff plug from 5419'-6019' with 380 sx Class "H" cement with additives. Tagged cement at 5547'. Drilled cement 5547'-5700'. Orient tools and prepare to kickoff cement plug and continued to drill directionally.

5/18/10 – Reached TMD 10,546'.

5/19/10 – Set 5-1/2" 17# HCP-110 LT&C casing at 10,546'. Float collar at 10,506'. Cemented stage 1 with 1140 sx PVL + 1% D112 + 30% D151 + 2% D174 + 0.2% D46 + 0.6% D65 + 0.2% D800 (yld 1.83, wt 13). Cement circulated on stage 1. Cemented stage 2 with 770 sx 35:65:6 Poz "C" + 1% D112 + 0.125#/sx D130 + 6% D20 + 3#/sx D42 + 5% D44 + 0.2% D46 (yld 2.19, wt 12.4).

Spud Date:

3/26/10

Rig Release Date:

5/20/10

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 June 10, 2010

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

For State Use Only

APPROVED BY: Jacqueline R. TITLE Geologist DATE 6/30/2010

Conditions of Approval (if any):