

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

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. VA-3056
7. Lease Name or Unit Agreement Name Bonbon BNN State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Red Bluff; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2946'GR

RECEIVED
SEP 29 2010
NMOCD ARTESIA

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
Surface M : 660 feet from the South line and 330 feet from the West line
BHL P : 731 feet from the South line and 5000 feet from the West line
Section 27 Township 25S Range 28E NMPM Eddy County

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: Perforate additional Bone Spring and stimulate ☒

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.

8/25/10 - Pumped 50 bbls slick water down casing. Pumped a total of 336 bbls slick water.
8/26/10 - Set flow through composite plug at 10,436'. Dropped ball, pressured up to 4200#. Spotted 2500g 7-1/2% HCL Triple Inhibitor.
8/29/10 - 250g acid away at 3BPM @ 3700 psi. Perforated Bone Spring 10,393', 10,232', 10,071' and 9910' total of 40 holes. Put remaining 2200g 7-1/2% HCL away at 4 BPM @ 2600 psi avg.
9/9/10 - Frac with 10,232# 40/70 in formation. Pumped 323,000g slick water gel and x-linked fluid with 1/4# 40/70 slug and 1/2# 40/70 slug with 4000g 7-1/2% IC acid in front. Pumped 73,000# 40/70, 101,000# 20/40 and 37,500# 20/40 RC. Spotted 2000g 7-1/2% acid at 9769'. Set flow through composite plug at 9769'. Perforated Bone Spring 9246', 9427', 9588' and 9349' total of 40 holes. Frac with 232,850g slick water and x-linked gel with 66,600# 40/70, 102,343# 20/40 white sand and 30,000# 20/40 RC. Spotted 2000g 7-1/2% at 9125'. Set flow through composite plug at 9125'. Perforated Bone Spring 9105', 8944', 8783' and 8622' total of 40 holes. Frac with 232,599g linear and x-linked gel, 53,030# 40/70, 101,000# 20/40 and 37,500# 20/40 RC.
9/10/10 - Spotted 2000g 7-1/2% HCL at 8481'. Set flow through composite plug at 8481'. Perforated Bone Spring 8461', 8300', 8239' and 7978' total of 40 holes. Frac with 210,538g linear and x-linked gel with 47,820# 40/70, 98,771# 20/40 and 30,000# 20/40 RC. Spotted 2000g 7-1/2% acid at 7837'. Set flow through composite plug at 7837'. Perforated Bone Spring 7817', 7656', 7495' and 7334' total of 40 holes. Frac with 217,655g linear and x-linked gel with 49,890# 40/70, 103,090# 20/40, 32,000# 20/30 RC. Spotted 2000g 7-1/2% at 7193'. Set flow through composite plug at 7193'. Perforated Bone Spring 7173', 7012', 6851' and 6690' total of 40 holes. Frac with 185,807g linear and 30# x-linked gel, 52,200# 40/70, 112,000# 20/40, 36,374# 20/40 RC. AS-1 packer with 2.25" on/off tool and 2-7/8" 6.5# L-80 tubing at 5550'.

Spud Date:

1/30/09

Rig Release Date:

3/17/10

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 September 20, 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 9-27-10
Conditions of Approval (if any):

COH