

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

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

October 13, 2009

<p>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.)</p>		<p>WELL API NO. 30-015-38317</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. V-4129</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Blackbird BKR State Com</p>
<p>4. Well Location Unit Letter M : 1270 feet from the South line and 200 feet from the West line Unit Letter P : 360 feet from the South line and 330 feet from the East line Section 32 Township 16S Range 28E NMPM Eddy County</p>		<p>8. Well Number 3H</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3573'GR</p>		<p>9. OGRID Number 025575</p>
		<p>10. Pool name or Wildcat Crow Flats; Abo</p>

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:

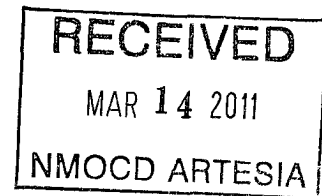
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: 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.

3/2/11 - TD 12-1/4" hole to 2130' at 12:00 Noon. Set 9-5/8" 36# K-55 LT&C casing at 2130'. Cemented with 720 sx 35:65:6 Poz "C" + 0.2% D046 + 0.125#/sx D130 + 6% D020 + 2#/sx D042 + 5% D044 (yld 1.96, wt 12.9). Tailed in with 200 sx Class "C" + 0.1% D013 (yld 1.33, wt 14.8). Circulated 175 sx to pit. Tested casing to 1200 psi for 30 min. Reduced hole to 8-3/4" and resumed drilling.



Spud Date:

2/19/11

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 11, 2011

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 3-17-11

Conditions of Approval (if any): Report WOC times on subsequent reports.