

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

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|---|--|--|
| <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. 30-015-37942</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 <input checked="" type="checkbox"/></p> | | <p>6. State Oil & Gas Lease No. V-7653, V-7639 & VO-7654</p> |
| <p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p> | | <p>7. Lease Name or Unit Agreement Name Chamaeleon BIN State Com <input checked="" type="checkbox"/></p> |
| <p>4. Well Location</p> <p>Surface B : 200 feet from the North line and 1780 feet from the East line BHL Lot 2 : 6788 feet from the North Line and 1938 feet from the East line</p> <p>Surf - Section 25 Township 26S Range 27E NMPM Eddy <input checked="" type="checkbox"/> County BHL - Section 36 Township 26S Range 27E NMPM Eddy County</p> | | <p>8. Well Number 1H <input checked="" type="checkbox"/></p> <p>9. OGRID Number 025575 <input checked="" type="checkbox"/></p> <p>10. Pool name or Wildcat Hay Hallow; Bone Spring</p> |
| <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3106'GR</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: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/30/10 - NU BOP.

12/1/10 - RIH with bit to DV tool at 5509'. Drilled out and circulated clean. Tested casing to 3200 psi for 30 min, good. RIH with bit and scraper to DV tool. Cleaned out.

12/2/10 - RIH with bit to PBTD at 12,735'. Pressure tested 5-1/2" casing from surface to 12,735' to 3200 psi, held good. Pickled casing with 500g Xylene, 1000g 15% HCL acid. Spotted 2500g 7-1/2% HCL inhibitor acid from 9885'-12,735'. Hole displaced with 3% KCL. Ran CBL/GR/CC log from 6625'-500'.

12/7/10 - Perforated Bone Spring 12,725' (6), 12,601' (6), 12,477' (6), 12,353' (6) and 12,229' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7588 bbls, total prop 96,939# Super LC, 157,704# 20/40 white, 78,419# 40/70 white.

1/23/11 - Spotted 1800g 7-1/2% HCL at 12,125'. Perforated Bone Spring 12,105' (6), 11,981' (6), 11,857' (6), 11,733' (6) and 11,609' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7777 bbls, total prop 79,340# 40/70 white, 153,395# 20/40 white, 102,534# 20/40 Super LC.

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MAR 29 2011

CONTINUED ON NEXT PAGE:

Spud Date:

10/20/10

11/20/10

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 March 28, 2011

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

For State Use Only

APPROVED BY: David Gray TITLE Field Supervisor DATE 4-5-11

Conditions of Approval (if any):

Form C-103 continued:

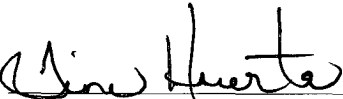
1/24/11 – Spotted 1800g 7-1/2% HCL acid at 11,505'. Perforated Bone Spring 11,485' (6), 11,361' (6), 11,237' (6), 11,113' (6) and 10,989' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7258 bbls, total prop 80,051# 40/70 white, 149,497# 20/40 white, 103,212# 20/40 Super LC.

1/25/11 – Spotted 1800g 7-1/2% HCL acid at 10,885'. Perforated Bone Spring 10,865' (6), 10,741' (6), 10,617' (6), 10,493' (6) and 10,369' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7253 bbls, total prop 80,670# 40/70 white, 153,234# 20/40 white, 104,912# 20/40 Super LC. Spotted 1800g 7-1/2% HCL acid at 10,265'. Perforated Bone Spring 10,245' (6), 10,121' (6), 9997' (6), 9873' (6) and 9749' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7452 bbls, total prop 83,804# 40/70 white, 148,118# 20/40 white, 107,807# 20/40 Super LC.

1/26/11 – Spotted 1800g 7-1/2% HCL acid at 9645'. Perforated Bone Spring 9625' (6), 9501' (6), 9377' (6), 9253' (6) and 9129' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7275 bbls, total prop 79,703# 40/70 white, 149,014# 20/40 white, 101,609# Super LC. Spotted 1800g 7-1/2% HCL acid at 9025'. Perforated Bone Spring 9005' (6), 8881' (6), 8757' (6), 8633' (6) and 8509' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7446 bbls, total prop 83,214# 40/70 white, 152,560# 20/40 white, 105,620# 20/40 Super LC. Spotted 1800g 7-1/2% HCL at 8405'. Perforated Bone Spring 8385' (6), 8261' (6), 8137' (6), 8013' (6) and 7889' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7372 bbls, total prop 81,993# 40/70 white, 149,869# 20/40 white, 102,703# 20/40 Super LC.

1/27/11 – Spotted 1800g 7-1/2% HCL acid at 7785'. Perforated Bone Spring 7765' (6), 7641' (6), 7517' (6), 7393' (6) and 7269' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 7410 bbls, total prop 79,052# 40/70 white, 151,052# 20/40 white, 105,012# 20/40 Super LC. Spotted 1800g 7-1/2% HCL acid at 7165'. Perforated Bone Spring 7145' (6), 7021' (6), 6897' (6), 6773' (6) and 6649' (6). Frac with 5# and 20# linear gel, 30# borate x-linked gel system, total load 8443 bbls, total prop 113,567# 40/70 white, 179,869# 20/40 white, 127,740# 20/40 Super LC. 2-7/8" 6.5# L-80 tubing at 6158'.

Wellbore Schematic attached


Regulatory Compliance Supervisor
March 28, 2011

WELL NAME: Chamaeleon BIN State Com #1H FIELD:

LOCATION: Unit B, (Surf) 200'FNL and 1780'FEL, Section 25-26S-27E Eddy County

GL: 3106' ZERO: KB:

SPUD DATE: 10/20/10 COMPLETION DATE:

COMMENTS: BHL 6788'FNL & 1938'FEL, Sec 36-T26S-R27E API No: 30-015-37942

CASING PROGRAM

| | |
|-------------------------|--------|
| 13-3/8" 48# J-55 | 400' |
| 9-5/8" 36# K-55 | 2,170' |
| 5-1/2" 17# HCP-110 L-80 | 12,783 |
| | |

After

