

Submit 3 Copies 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
May 27, 2004

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. 30-015-37555
1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐		5. Indicate Type of Lease STATE ☒ FEE ☐
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VO-7290
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Cheroot BPF State Com.
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>3</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.) 3191'		9. OGRID Number 025575
Pit or Below-grade Tank Application ☐ or Closure ☐		10. Pool name or Wildcat Bone Springs
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Bottom hole location for this well is Section 3, T25S-R27E, Unit M. 660' FSL and 330' FWL.
Yates Petroleum Corporation respectfully requests permission to omit the pilot hole on this well. It is also requested that the horizontal be drilled to a TVD of 8,100' in the Harkey Sand. Attached is the revised horizontal plan.
Production casing will be 5 1/2" 17# from 0'-12,635'.

Thank-you,

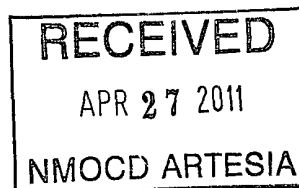
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Jeremiah Mullen TITLE Well Planner DATE 4/25/11

Type or print name Jeremiah Mullen E-mail address: jmullen@yatespetroleum.com Telephone No. 575-748-4378

For State Use Only

APPROVED BY: [Signature] TITLE Geoborg DATE 5/10/2010
Conditions of Approval (if any):





Project: Eddy County
Site: Cheroot "BPF" State Com
Well: #1H
Wellbore: OH
Plan: Plan #2 (#1H/OH)

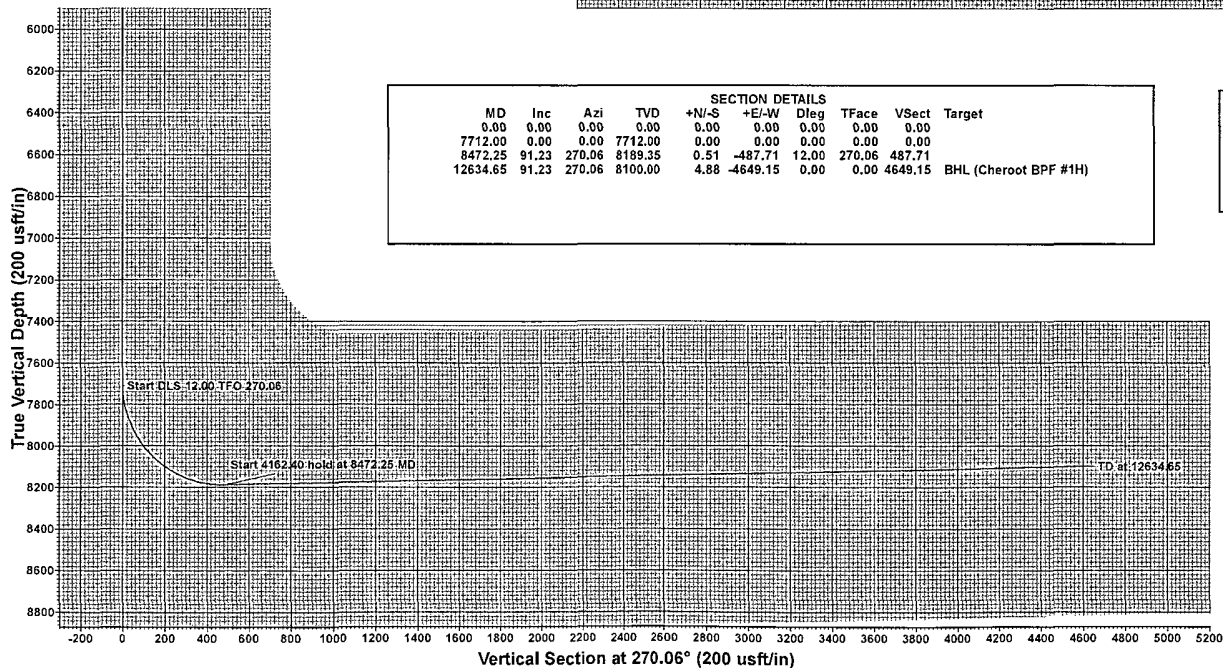
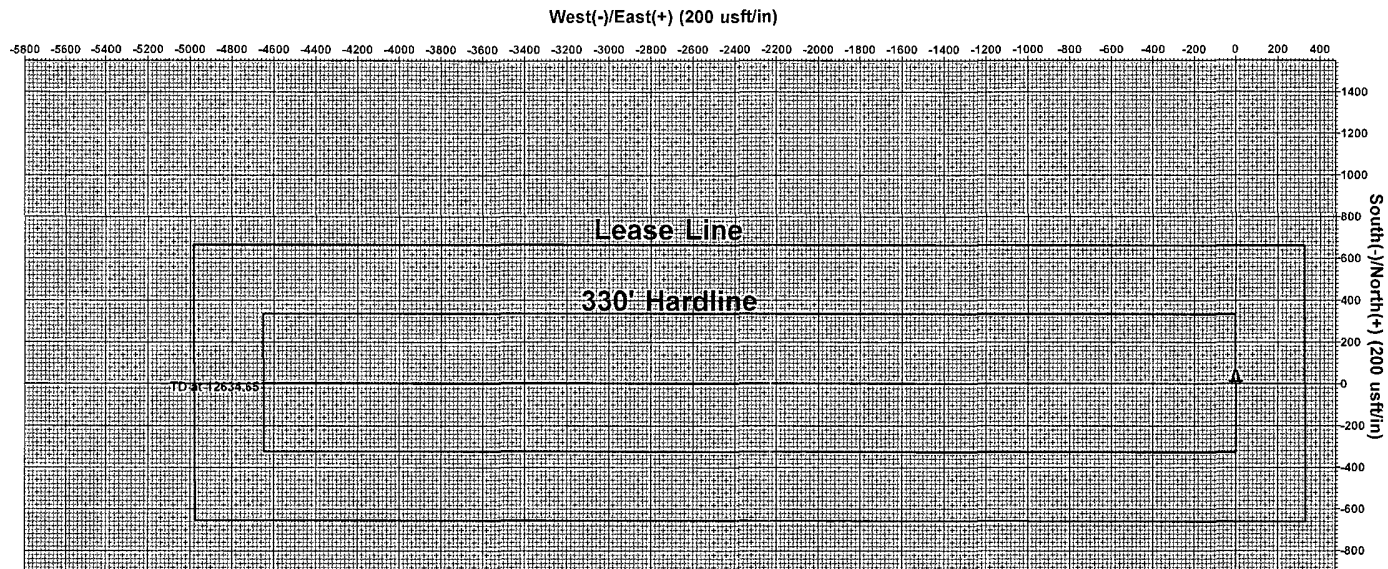
PATHFINDER
A Schlumberger Company

PROJECT DETAILS: Eddy County
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level
Local North: Grid



Azimuths to Grid North
True North: -0.09°
Magnetic North: 7.78°

Magnetic Field
Strength: 48523.1snT
Dip Angle: 60.02°
Date: 04/20/2011
Model: IGRF2010



SECTION DETAILS									
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSecl	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7712.00	0.00	0.00	7712.00	0.00	0.00	0.00	0.00	0.00	0.00
8472.25	91.23	270.06	8189.35	0.51	-487.71	12.00	270.06	487.71	
12634.65	91.23	270.06	8100.00	4.88	-4649.15	0.00	0.00	4649.15	BHL (Cheroot BPF #1H)

WELL DETAILS: #1H						
Ground Elevation: 3191.00						
RKB Elevation: WELL @ 3214.00usft (Original Well Elev)						
Rig Name: Original Well Elev						
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	419707.650	591638.430	32° 9' 13.501 N	104° 10' 14.859 W	

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)					
Name	TVD	+N/-S	+E/-W	Northing	Easting
BHL (Cheroot BPF #1H)	8100.00	4.88	-4649.15	419712.534	586989.278
					Point

Plan: Plan #2 (#1H/OH)

Created By: Nate Bingham Date: 16:46, April 21 2011

Checked: _____ Date: _____