

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-37303

5. Indicate Type of Lease

STATE ☒FEE ☐

6. State Oil & Gas Lease No.

VO-6502

7. Lease Name or Unit Agreement Name

Locklin BHL State Com

8. Well Number

1

9. OGRID Number

025575

10. Pool name or Wildcat

Vada; Upper Penn

SUNDRY NOTICES 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

Unit Letter N : 660 feet from the South line and 1800 feet from the West line

Section 32 Township 9S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4255' GR

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 ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: Plugback and recomplete ☒

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.

9/26/11 – MIRU pulling unit. Loaded casing, took 28 bbls. Tested to 1000 psi, good. Pumped 65 bbls down tubing. Released packer and on/off tool. NU BOP. TIH with 4.5" GR/JB to 11,600'. Set a 5-1/2" Alpha 10K CIBP at 11,500' and capped 35' cement.

9/27/11 – Perforated Strawn 11,128'-11,132' (22) and 11,275'-11,279' (22). ND BOP.

9/28/11 – Pressured casing to 1000 psi. Start on acid, dropping 60 ball sealers. Loaded up with 60 bbls. Broke at 4800 psi, avg rate 3.4 BPM, avg press 5350 psi. ISDP 5030, 15 min 3850. Total load 108 bbls.

10/2/11 – Pumped 65 bbls down tubing. NU BOP. Set a 5-1/2" 10K Alpha CIBP at 11,078'. Loaded and tested casing to 1000 psi, good. Put 35' cement on top of CIBP. Perforated Cisc 9930'-9942' (15). Spotted 5 bbls 15% NEFE HCL across perfs. Loaded casing, took 33 bbls. Tested to 1000 psi. Pumped 800g 15% NEFE HCL Avg rate 4 2 BPM, avg press 50 psi. ISDP vacuum. Loaded 85 bbls. ND BOP. 2-7/8" 6.4# L-80 tubing at 9882'.

Spud Date:

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 October 12, 2011Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 14 2011Conditions of Approval (if any): 2A-X-4 Ranch; AtoKa (Gas)