

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

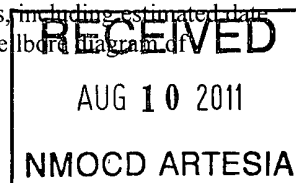
Form C-103  
October 13, 2009

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-36220</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 &amp; Gas Lease No. VB-793</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Shocker 32 State</p>
<p>4. Well Location</p> <p>Surface A : 330 feet from the North line and 330 feet from the East line BHL P : 342 feet from the South line and 380 feet from the East line Section 32 Township 25S Range 29E NMPM Eddy County</p>		<p>8. Well Number 3H</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2983' GR</p>		<p>9. OGRID Number 025575</p>
<p>10. Pool name or Wildcat Willow Lake; Bone Spring, Southeast</p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>          TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>          PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>          DOWNHOLE COMMINGLE <input type="checkbox"/></p>		<p><b>SUBSEQUENT REPORT OF:</b></p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>          COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/>          CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: Completion Operations <input checked="" type="checkbox"/></p>	

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 well bore diagram of proposed completion or recompletion.



4/28/11 – NU BOP.

5/1/11 – TIH with logging tools. Logged up 500' past cement top to 4200'. TOC at 4698'. DV tool at 5524'.

5/5/11 – Cleaned out DV tool. Displaced hole with 240 bbls fresh water.

5/8/11 – RIH to DV tool at 5520', cleaned up DV tool. RIH with UIT/GR/CCL log at 7305'. Switched to tractor at 7780', spiked out. Pulled heavy to 7745'. Did not feel anything. RIH to 11,310'. Logged well with 500 psi at 1 BPM up to 7780'. Pulled heavy, pulled free. Logged well up to 5520'. NOTE: Opened 9-5/8" casing valve and recovered 56 bbls mud water.

5/10/11 – RIH with seating nipple to 6529'.

5/23/11 – Pumped down 5-1/2" casing 1 BPM @ 700 psi. Pumped 20 bbls. RIH with 5-1/2" H plug to float collar at 11,355', picked up to 11,345'. Dropped ball down tubing. Pumped 47 bbls. Pressured up to 2400 psi. Set CIBP. Tested casing to 3000 psi for 30 min, dropped to 2925 psi and tested good.

**CONTINUED ON NEXT PAGE:**

Spud Date: 10/29/10

Rig Release Date: 4/24/11

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 August 8, 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 8-29-11  
Conditions of Approval (if any):

**Form C-103 continued:**

5/24/11 – Perforated Bone Spring 11,330' (8) and 7750' (8). Pumped 5 bbls. RIH with 5-1/2" packer to 7818'. Pumped 160 bbls down tubing, packer did not hold. Reset packer. Pumped down 150 bbls 4 BPM at 2500 psi. Did not circulate up thru perfs at 7750'. Pumped down 5-1/2" casing, pressured up to 800 psi. Move packer down to 7880'. Pumped down tubing 100 bbls 4 BPM at 2300 psi. No circulation up thru perfs at 7750'.

6/16/11 – Perforated 10,816' (8), pumped 5 bbls 2% KCL.

6/17/11 – Perforated 10,305' (8). Loaded up tubing with 2% KCL and pressured up to 2200 psi. Pumped 5 bbls KCL down tubing.

6/19/11 – Perforated 9794' (8). Loaded tubing with 2% KCL and pressured up to 2000 psi. Pumped 5 bbls.

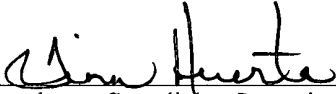
6/20/11 – Perforated 9283' (8). Loaded tubing with 2% KCL and pressured up to 2300 psi. Perforated 8772' (8). Loaded tubing and pressured up to 2300 psi.

6/21/11 – Perforated 8261' (8). Pressured up to 2400 psi.

7/19/11 – Frac Bone Spring 7750'-11,330' using 8 stage diversion job. Pumped 146,831# 100 mesh, 477,371# 40/70 Jordan-Unimin, 684,982# 20/40 Jordan-Unimin, 1,351,675# 20/40 Jordan-Unimin + Pnet.

8/2/11 – Set 5-1/2" 20# AS-1 packer with blanking plug in place at 6420'. 2-7/8" 6.5# L-80 tubing at 6426'.

CURRENT WELLBORE SCHEMATIC ATTACHED

  
Regulatory Compliance Supervisor  
August 8, 2011

WELL NAME: Shocker 32 St Com #3H FIELD

LOCATION: Unit A, 330' FNL and 330' FEL (Surf) Sec 32-25S-29E Eddy County

GL: 2,983' ZERO: KB: 3,006

SPUD DATE: 4/1/11 COMPLETION DATE:

COMMENTS: API No.: 30-015-36220

### CASING PROGRAM

13-3/8" 48# H-40 ST&C	330'
9-5/8" 36# K-55 LT&C	2,890'
5 1/2" 20# L-80 LT&C & Butress	11,450'

