

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

WELL API NO. 30-015-37463
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-7331
7. Lease Name or Unit Agreement Name Perfecto BOX State COM
8. Well Number 1H
9. OGRID Number 25575
10. Pool name or Wildcat Wolfcamp

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)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>14</u> Township <u>25S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3166' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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.

Yates Petroleum Corporation respectfully requests permission to change the well target depth, pilot hole depth, Pool name, and production casing/cement as follows:

There will be no pilot hole. Well will be drilled vertically to 9454 kick off, then kicked off at approx. 9454' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 10202 MD (9932' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 14364' MD (9950' TVD) where 4 1/2" casing with packer/port system will be set from TD to approx. 9250'. If 7" is not set, then hole size will be reduced to 8 1/2" and drilled to 14364' MD (9950' TVD) where 5 1/2" casing will be ran with packer/port in lateral and cemented, from top of curve thru dv or sf tool from 9400-2000. Penetration point of producing zone will be encountered at 805' FWL & 661 FNL, Deepest TVD in well will be 9950 @ EOL.

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 [Signature] TITLE Well Planner DATE 01/06/2012

Type or print name Troy M. Peterson E-mail address: tpeterson@yatespetroleum.com Telephone No. 575-748-4211

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 1/9/2012
Conditions of Approval (if any):