Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
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
Revised July 18, 2013

WELL API NO. 30-015-41725
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: Nickson BM
8. Well Number: 5H
1. Type of Well: Oil Well ☒ Gas Well ☐ Other
2. Name of Operator: Yates Petroleum Corporation
9. OGRID Number: 025575
3. Address of Operator: 105 South Fourth Street, Artesia, NM 88210
10. Pool name or Wildcat: Penasco Draw; San Andres-Yeso

4. Well Location
Unit Letter A : 600 feet from the North line and 150 feet from the East line
Unit Letter Lot 1 400 feet from the North line and 330 feet from the West line
Section 30 Township 18S Range 26E NMPM Eddy County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3,440' GR

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS: ☒	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☒			
OTHER: Possible casing leak repair ☒		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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Accepted for record
NMOCD JCS 11-3-2014

Yates Petroleum plans to repair a possible casing leak as follows:

1. NU BOP. TOH with sub pump equipment.
2. Set a packer at 2,090' and test the casing above the DV tool to 2000 psi. Move the packer to 2,120' and test the casing across the DV tool.
3. Once leak is found isolate it to as small an interval as possible and try to establish an injection rate into the leak, then TOH.
4. Run a multifinger casing inspection log from 100' below the DV tool to the surface.
5. Set RBP 40' below casing leak. Dump 10' of sand on top of RBP, set cement retainer 30' above casing leak. Establish injection rate into casing leak then squeeze with class "H" cement. Sting out of retainer, reverse tubing clean TOH and WOC.

CONTINUED ON NEXT PAGE:

NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 31 2014
RECEIVED

Spud Date: 3/27/14 Rig Release Date: 4/13/14

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE October 30, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

APPROVED BY: T. C. Shepard TITLE "Geologist" DATE 11-3-2014

Conditions of Approval (if any):

Form C-103 continued:

6. Drill out retainer and cement. Pressure test to 2000 psi. Circulate sand off RBP, latch onto RBP, release and TOH with RBP.
7. TIH with sub pump equipment and hang the well on.

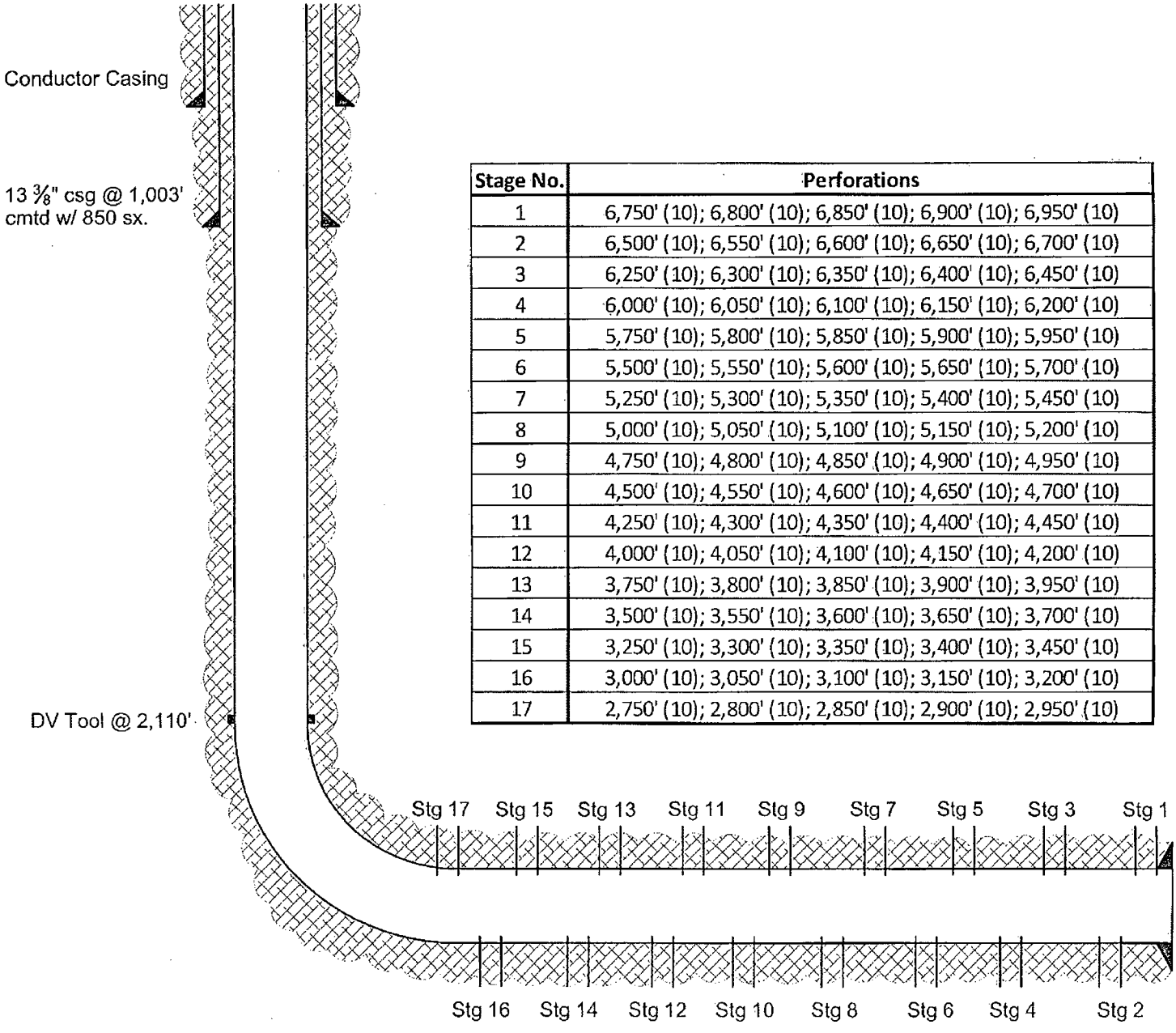
Wellbore schematic attached

Regulatory Reporting Technician
October 30, 2014

Well Name: Nickson BM #5H Field: _____
Location: 600' FNL & 150' FEL Sec 30-18S-26E
County: Eddy State: New Mexico
GL: 3,440' Zero: ____ KB: 3,458'
Spud Date: 3/27/2014 Completion Date: 7/16/2014
Comments: API # 30-015-41725

Casing Program	
Size/Wt/Grade	Depth Set
13 3/8" 48# J-55	1,003'
5 1/2" 17# L-80	7,054'

Wellbore Configuration



Stage No.	Perforations
1	6,750' (10); 6,800' (10); 6,850' (10); 6,900' (10); 6,950' (10)
2	6,500' (10); 6,550' (10); 6,600' (10); 6,650' (10); 6,700' (10)
3	6,250' (10); 6,300' (10); 6,350' (10); 6,400' (10); 6,450' (10)
4	6,000' (10); 6,050' (10); 6,100' (10); 6,150' (10); 6,200' (10)
5	5,750' (10); 5,800' (10); 5,850' (10); 5,900' (10); 5,950' (10)
6	5,500' (10); 5,550' (10); 5,600' (10); 5,650' (10); 5,700' (10)
7	5,250' (10); 5,300' (10); 5,350' (10); 5,400' (10); 5,450' (10)
8	5,000' (10); 5,050' (10); 5,100' (10); 5,150' (10); 5,200' (10)
9	4,750' (10); 4,800' (10); 4,850' (10); 4,900' (10); 4,950' (10)
10	4,500' (10); 4,550' (10); 4,600' (10); 4,650' (10); 4,700' (10)
11	4,250' (10); 4,300' (10); 4,350' (10); 4,400' (10); 4,450' (10)
12	4,000' (10); 4,050' (10); 4,100' (10); 4,150' (10); 4,200' (10)
13	3,750' (10); 3,800' (10); 3,850' (10); 3,900' (10); 3,950' (10)
14	3,500' (10); 3,550' (10); 3,600' (10); 3,650' (10); 3,700' (10)
15	3,250' (10); 3,300' (10); 3,350' (10); 3,400' (10); 3,450' (10)
16	3,000' (10); 3,050' (10); 3,100' (10); 3,150' (10); 3,200' (10)
17	2,750' (10); 2,800' (10); 2,850' (10); 2,900' (10); 2,950' (10)

DATE: 10/28/2014

SKETCH NOT TO SCALE