

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

**NM OIL CONSERVATION**  
 Energy, Minerals and Natural Resources  
 JAN 30 2015  
**OIL CONSERVATION DIVISION**  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505  
 RECEIVED

Form C-103  
 Revised July 18, 2013

<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.)		WELL API NO. 30-015-31911
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V-2705
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Graham AKB State
4. Well Location Unit Letter <u>C</u> : <u>330</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>West</u> line Section <u>2</u> Township <u>22S</u> Range <u>31E</u> NMPM <u>Eddy</u> County		8. Well Number 5
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,514' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Lost Tank; Delaware

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   
 CLOSED-LOOP SYSTEM   
 OTHER:

**SUBSEQUENT REPORT OF:**

- REMEDIAL WORK  ALTERING CASING   
 COMMENCE DRILLING OPNS.  P AND A   
 CASING/CEMENT JOB   
 OTHER: Repaired holes in casing

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.

12/1/14 - NU BOP. TOOH with tubing.  
 12/2/14 - Set AS1-X RBP at 6,875'. Circulated hole clean with 145 bbls 2% KCL. Set AS1-X packer at 6,862'. Pressured up to 500 psi, RBP held good for 10 min.  
 12/3/14 - Released packer. Apply 500 psi to casing. Run Sector Bond/VDL/GR/CCL from 6,850' to the surface. Set AS1-X packer at 4,430'. Tested casing to 500 psi from 4,430' to the surface, held good for 10 mins. Re-set packer at 5,562'. Tested casing to 500 psi from 5,562' to RBP at 6,875', held good for 10 min. Released packer.  
 12/4-6/14 - Tagged up at 6,855'. Washed scale down to RBP at 6,875' and released RBP. Isolate holes in casing, top hole is at 4,495'-4,527'. Pumped 1.5 BPM at 900 psi into top hole. Isolate bottom hole from 5,515'-5,562'. Pressured up to 1500 psi. Lost 800 psi in 5 mins. Released tools and TOOH.  
 12/7/14 - Set composite bridge plug at 5,725'. TIH open ended to 5,619'. Circulated hole clean. Spotted 25 sacks Class "C" Neat from 5,619'-5,333'. Calculated TOC at 5,361'. Set AS1-X packer at 4,622'. Pressured up to 1500 psi. Pressure did not bleed off, held for 15 mins.

**CONTINUED ON NEXT PAGE:**

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 *Laura Watts* TITLE Regulatory Reporting Technician DATE January 28, 2015

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

**For State Use Only**

APPROVED BY: *Accepted for record* TITLE NMOC DATE 2/3/2015  
 Conditions of Approval (if any):

**Form C-103 continued:**

12/8/14 - TIH with cement retainer to 4,454'. Circulated tubing volume plus 5 bbls to clear retainer and set retainer. Squeeze hole with 150 sacks Class "C" + 2% CaCl<sub>2</sub> and 50 sacks Class "C" Neat, 25.5 bbls of displacement. Hesitate squeeze to 1025 psi and hold for 15 mins, no leak off. Sting out of retainer and reverse 2X (52 bbls) tubing volume. Reversed 6 sacks cement. TOOH with all tools.

12/10/14 - Tagged up on CICR at 4,452' and drilled out. Continue drilling out cement down to 4,513'. Circulated hole clean.

12/11/14 - Tagged cement at 4,513' and drilled down to 4,528'. Fell out of cement. Dropped down and reverse circulated hole clean. Pressure test casing to 500 psi, held good for 40 mins. Tagged cement plug at 5,380' and drilled cement down to 5,612'. Fell out. Dropped down and circulated hole clean. Pressure up to 500 psi. Lost 360 psi in 30 mins.

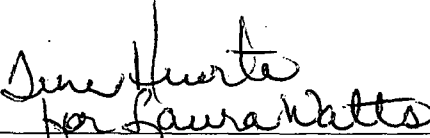
12/12-13/14 - Break circulation and spot 20 sacks Class "C" from 5,622'-5,422'. Reverse circulate 80 bbls fresh water. Set packer at 4,587' and pressure up to 2050 psi, held.

12/14/14 - Released packer and TOOH. Tagged cement plug at 5,465'. Drilled cement down to 5,628'. Fell out. Dropped down and reverse circulated hole clean. Pressure test casing to 600 psi, held good for 30 mins.

12/15/14 - Tagged composite bridge plug at 5,720' and drilled out. Dropped down and circulate clean. ND BOP.

12/16/14 - Tagged up at 150'. Pumped 1000 gals 15% NEFE HCL acid. Displaced acid with 85 bbls fresh water.

12/17/14 - 2-7/8" 6.5# J-55 tubing at 7068'. Test tubing to 500 psi for 15 mins, held good. Turned well to production.

  
Regulatory Reporting Technician  
January 28, 2015