

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

BLM ROW NM65392 Form C-103

Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-25665
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Compromise SWD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat SWD; Upper Penn

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 ☐ Gas Well ☐ Other SWD

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

4. Well Location
Unit Letter H : 1980 feet from the North line and 800 feet from the East line
Section 30 Township 18S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,281' 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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: Perform an MIT ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P. AND A. ☐
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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation plans to perform an MIT as follows:

1. RU all equipment necessary for a casing integrity test. If the test is good, give OCD a 24 hour notice that we will be performing a casing integrity test and return the well to service.
2. If the well does not pass the MIT MIRU WSU. NU BOP. RU all H2S safety equipment as necessary.
3. POOH with packer and PC tubing hydro testing the tubing as it is pulled, if the tubing is bad replace it and RIH with a new injection packer and tubing. Test the annulus to 500 psi if it holds notify the OCD and run an official MIT and return the well to service.
4. If the tubing is not the problem then TIH with 2.875" work string, packer and RBP to find and isolate leaks.

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 July 10, 2015

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

For State Use Only

APPROVED BY: Dr. J. S. Spewison TITLE Dr. J. S. Spewison DATE 7/16/2015


Conditions of Approval (if any):

* OCD must witness MIT test before Injection can commence

Form C-103 continued:

5. Once the leaks have been isolated, set CIBP and cement retainer via WL. Pump the recommended squeeze job and WOC at least 24 hours. If a positive squeeze pressure cannot be obtained over flush and re-squeeze.
6. Drill out the cement retainer and CIBP. Pressure test the squeezed interval, if interval will not pressure test re-squeeze the interval.
7. Repeat steps 4, 5 and 6 until all of the detected leaks have been repaired.
8. Hydrotest the nickel plated or coated packer and plastic coated 2.875" tubing back in the hole. Set the packer at $\pm 7,947'$.
9. ND BOP and NU wellhead load the annulus with 126 bbls of packer fluid containing an oxygen scavenger and biocide. Pressure test the annulus for 10 minutes at 1000 psig. Give the OCD a 24 hour notice that we will be performing a casing integrity test.
10. Turn well over to production.

Schematic attached


Regulatory Reporting Technician
July 10, 2015

WELL NAME: Compromise "AEJ" Fed No. 1

FIELD: _____

LOCATION: 1980' FNL & 800' FEL Sec 30-18S-27E

Eddy County NM

GL: 3281' ZERO: _____ KB: 3296'

SPUD DATE: 10/29/86 COMPLETION DATE: 12/86

COMMENTS: API # 30-015-25665

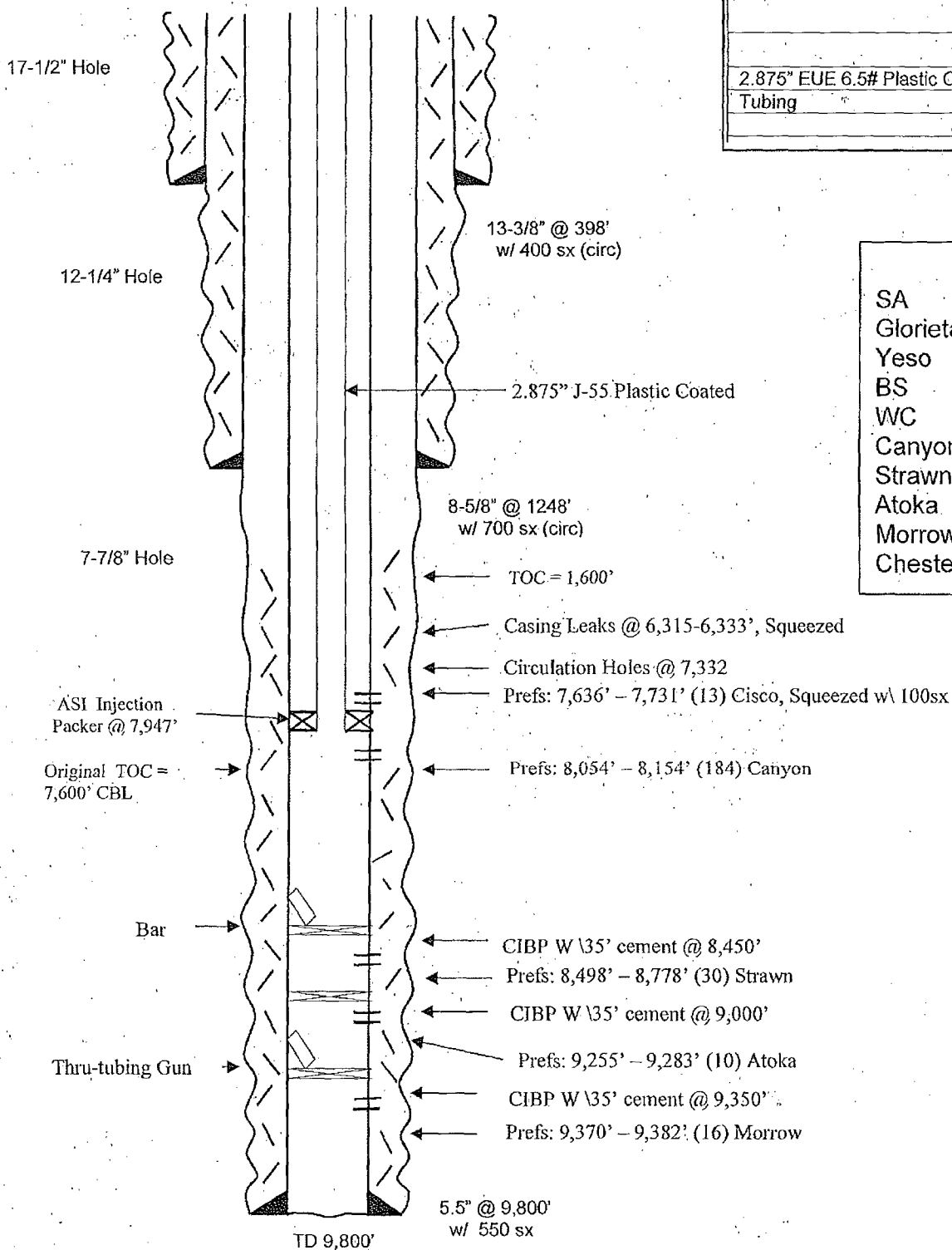
CASING PROGRAM

13-3/8"	398'
8-5/8"	1,248'
5.5 "	9,800'
2.875" EUE 6.5# Plastic Coated Tubing	7,968'

Current

TOPS

SA	1,420'
Glorieta	3,042'
Yeso	3,228'
BS	3,750'
WC	6,335'
Canyon	7,905'
Strawn	8,418'
Atoka	9,000'
Morrow	9,248'
Chester	9,692'



Not to Scale
7-9-15