

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. 30-015-22548
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Kennedy JQ Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Kennedy Farms 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

RECEIVED

2. Name of Operator
Yates Petroleum Corporation

APR 11 2006

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

OCD-ART-EDM

4. Well Location
Unit Letter H : 2510 feet from the North line and 660 feet from the East line
Section 33 Township 17S Range 26E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3339'GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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: Plug off Morrow Zone, Back on production ☒

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.

3/23/06 – Set a CIBP at 8530' with 35' cement on top.

3/24/06 – Set RBP at 7020'. Found bad casing at 3703'-4025'.

3/27/06 – Set cement retainer at 3650'.

3/28/06 – Cement bad casing with 200 sx "C" and 180 sx Thixtropic cement. Had good circulation behind 4-1/2" casing. Shut valve on braden head with 80 sx Thixtropic cement left. Squeezed in 80 sx. Squeezed at 700 psi.

3/30/06 – Drilled out cement retainer and 40' cement to 3690'.

3/31/06 – Drilled out cement. Test squeeze to 500 psi, held for 15 min, test good.

4/1/06 – TOH with RBP. Set AS-1 packer with on/off tool at 7022'.

4/3/06 – Acidize Upper Penn with 10,000g 20% gelled IC HCL and 1000 SCF N2/bbl.

4/6/06 – Well is back on production.

WELL IS NOW PRODUCING FROM UPPER PENN ONLY, EFFECTIVE 4/2006

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE April 10, 2006

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____

DATE APR 13 2006

Conditions of Approval (if any): _____