

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

MAR 04 2009

Form C-103
June 19, 2008

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

WELL API NO. 30-015-21704
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Caffall FD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Undes. Upper Penn; Canyon
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3354'GR

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>O</u> : <u>660</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>15</u> Township <u>17S</u> Range <u>26E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3354'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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING-OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Set CIBP's, turn well over to rancher for water well ☒

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.

2/2/09 - Cleaned location. MIRU. NU BOP. TOOH with tubing.

2/3/09 - Released packer. Released RBP at 6850'.

2/4/09 - Set a 5-1/2" 15.5# CIBP at 7675' with 35' cement on top. Set 2nd CIBP at 6456' with 35' cement on top.

2/5/09 - Perforated 4 holes at 5170'. Cut casing at 5145'. Pulled 1 joint 5-1/2".

2/6/09 - TOH with 125 joints 5-1/2" 15.5# casing.

2/9/09 - Spotted 40 sx Class "C" cement plug with 3% CC from 5095'-5195'. WOC 4 hrs. Tagged cement at 5075'. Spotted 40 sx Class "C" cement plug with 2% CC from 4325'-4425'.

2/10/09 - Tagged at 4350'. OCD inspector approved depth. Spotted 45 sx Class "C" cement plug with 2% CC from 2325'-2425'. WOC 4 hrs. Tagged cement at 2303'. Spotted 50 sx Class "C" cement plug with 2% CC from 1354'-1479'. WOC 4 hrs. Tagged at 1420'. Pulled up hole with 2-3/8" tubing. Tagged at 1315'.

2/11/09 - Circulated plugging mud out of 8-5/8" casing. TOOH laying down all 2-3/8" tubing in singles. Installed plate on top of 11" 3K flange. Rigged down and moved off.

NOTE: Wellbore will be turned over to rancher for a water well. Attached is a waiver releasing Yates Petroleum Corporation from any further liability.

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE February 23, 2009

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 3/9/09

Conditions of Approval (if any):

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

AFFIDAVIT OF RESPONSIBILITY
CONVERSION TO WATER-WELL

STATE OF New Mexico)
County of Eddy) ss.

James S. Brown, being first duly sworn according to law, upon his oath deposes and says:

1. That he is Chief Operating Officer of Yates Petroleum Corporation
(Title) (Operator)
whose address is 105 South Fourth Street, Artesia, NM 88210.

2. That ypc is the operator of a well drilled on land be-
(Operator)
longing to John Yates, Jr., whose address is 809 VOGEL Rd
(Landowner)

ARTESIA, N.M. 88210, said well being drilled to test for hydrocarbons and/or carbon dioxide gas and described as the Caffall FD No. 1, being located 660 feet from the South line and 1980 feet from the East line of Section 15, Township 17S, Range 26E, NMPM, Eddy County, New Mexico.

3. That said well was drilled to a total depth of 8670 feet, and that casing has been set and cemented as follows:

13-3/8" @ 423' cemented with 250 sx

8-5/8" @ 1404' cemented with 550 sx

5-1/2" @ 8550' cemented with 425 sx

4. That operator and landowner have made an agreement whereby operator (is) ~~is not~~ to back fill pits, level location, and clear it of all junk. The agreement further provides that operator is to plug said well back to a plugged-back total depth of 1315' feet and transfer well to landowner for his use as a water-well. Operator will leave casing in the well as follows:

13-3/8" @ 423'

8-5/8" @ 1404'

5. That when operator has complied with the provisions of Paragraph 4 above it will so notify the Oil Conservation Commission of the State of New Mexico on Commission Form C-103, together with a signed statement from the landowner that the provisions of Paragraph 4 above have been complied with to his satisfaction.



OFFICIAL SEAL

Tina Huerta
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 4-15-12

James S. Brown
(Operator)

By James S. Brown

Subscribed and sworn to before me this 24th day of February, A. D. ~~XXX~~ 2009.

Notary Public in and for the County of Eddy

STATE OF New Mexico)
County of Eddy) ss.

John Yates, Jr., being first duly sworn according to law, upon his oath deposes and says that when the provisions of Paragraphs 4 and 5 above have been complied with, he will accept the above-described well for his use as a water-well, and that he will assume all responsibility for the well, the location, and the conversion of the well to a water-well.

John Yates, Jr., DBA La Clara Vista Farm
(Landowner)

Subscribed and sworn to before me this 24th day of February, A. D. ~~XXX~~ 2009.

Tina Huerta
Notary Public in and for the County of Eddy



OFFICIAL SEAL

Tina Huerta
NOTARY PUBLIC-STATE OF NEW MEXICO

My commission expires: 4-15-12