

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.<br>30-015-36070                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>VO-7523                                                             |
| 7. Lease Name or Unit Agreement Name<br>Thurman Draw Unit                                           |
| 8. Well Number<br>1                                                                                 |
| 9. OGRID Number<br>025575                                                                           |
| 10. Pool name or Wildcat<br>Barnett Shale                                                           |

|                                                                                                                                                                                                                         |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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<br>Yates Petroleum Corporation                                                                                                                                                                      |  |
| 3. Address of Operator<br>105 S. 4 <sup>th</sup> Street, Artesia, NM 88210                                                                                                                                              |  |
| 4. Well Location<br>Unit Letter <u>C</u> : <u>1200</u> feet from the <u>North</u> line and <u>1850</u> feet from the <u>West</u> line<br>Section <u>16</u> Township <u>26S</u> Range <u>23E</u> NMPM <u>Eddy</u> County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>4341'                                                                                                                                                             |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>                                                                                                                        |  |
| 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

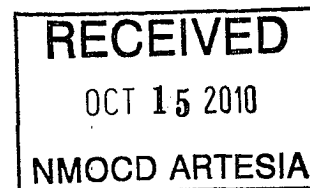
|                                                |                                                  |                                                  |                                           |
|------------------------------------------------|--------------------------------------------------|--------------------------------------------------|-------------------------------------------|
| NOTICE OF INTENTION TO:                        |                                                  | SUBSEQUENT REPORT OF:                            |                                           |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/>        | REMEDIAL WORK <input type="checkbox"/>           | ALTERING CASING <input type="checkbox"/>  |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input checked="" type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>          | CASING/CEMENT JOB <input type="checkbox"/>       |                                           |
| OTHER: <input type="checkbox"/>                |                                                  | OTHER: <input type="checkbox"/>                  |                                           |

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.

Yates Petroleum Corporation respectfully requests permission to change the hole and casing program on this well.  
See attachments for revised hole/casing sizes and cement program.

Thank-you,

TOC = 3000'



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 Jeremiah Mullen TITLE Well Planner DATE 10/15/10

Type or print name Jeremiah Mullen E-mail address: jmulen@yatespetroleum.com Telephone No. 575-748-4378

For State Use Only  
APPROVED BY: David Gray TITLE Field Supervisor DATE 10-18-10  
Conditions of Approval (if any): K2

dm

## Thurman Draw Unit #1

### Surface Casing

Surface casing and cement will remain as permitted.

### Intermediate Casing

Intermediate hole size = 12 1/4" drilled with an 8.8-9ppg mudweight

| 0 ft to 3,480 ft    |                |                |         | Make up Torque ft-lbs |       |       | Total ft = 3,480 |
|---------------------|----------------|----------------|---------|-----------------------|-------|-------|------------------|
| O.D.                | Weight         | Grade          | Threads | opt.                  | min.  | mx.   |                  |
| 9.625 inches        | 36 #/ft        | J-55           | LT&C    |                       | 4,530 | 3,400 | 5,660            |
| Collapse Resistance | Internal Yield | Joint Strength |         | Body Yield            |       | Drift |                  |
| 2,020 psi           | 3,520 psi      | 453,000 #      |         | 564,000 #             |       | 8.765 |                  |

Cement: Lead w/940sx C-Lite (YLD 2.0 Wt. 12.5), tail w/225sx Class C (YLD 1.34 Wt. 14.8) TOC=surface

### Production Casing

Production hole size = 8 3/4" drilled with an 9.6-10ppg mudweight

| 0 ft to 100 ft      |                |                |         | Make up Torque ft-lbs |       |       | Total ft = 100 |
|---------------------|----------------|----------------|---------|-----------------------|-------|-------|----------------|
| O.D.                | Weight         | Grade          | Threads | opt.                  | min.  | mx.   |                |
| 5.5 inches          | 17 #/ft        | J-55           | LT&C    |                       | 2,470 | 1,850 | 3,090          |
| Collapse Resistance | Internal Yield | Joint Strength |         | Body Yield            |       | Drift |                |
| 4,910 psi           | 5,320 psi      | 247,000 #      |         | 273,000 #             |       | 4.767 |                |

| 100 ft to 6,450 ft  |                |                |         | Make up Torque ft-lbs |       |       | Total ft = 6,350 |
|---------------------|----------------|----------------|---------|-----------------------|-------|-------|------------------|
| O.D.                | Weight         | Grade          | Threads | opt.                  | min.  | mx.   |                  |
| 5.5 inches          | 15.5 #/ft      | J-55           | LT&C    |                       | 2,170 | 1,630 | 2,710            |
| Collapse Resistance | Internal Yield | Joint Strength |         | Body Yield            |       | Drift |                  |
| 4,040 psi           | 4,810 psi      | 217,000 #      |         | 248,000 #             |       | 4.825 |                  |

| 6,450 ft to 8,750 ft |                |                |         | Make up Torque ft-lbs |       |       | Total ft = 2,300 |
|----------------------|----------------|----------------|---------|-----------------------|-------|-------|------------------|
| O.D.                 | Weight         | Grade          | Threads | opt.                  | min.  | mx.   |                  |
| 5.5 inches           | 17 #/ft        | P-110          | LT&C    |                       | 4,620 | 3,470 | 5,780            |
| Collapse Resistance  | Internal Yield | Joint Strength |         | Body Yield            |       | Drift |                  |
| 7,480 psi            | 10,640 psi     | 445,000 #      |         | 546,000 #             |       | 4.767 |                  |

Cement: Lead w/875sx C-Lite (YLD 2.0 Wt. 12.5), tail w/825sx PVL (YLD 1.41 Wt. 13) TOC=3,000'