

Submit 1 Copy 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  
October 13, 2009

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

WELL API NO. 30-015-36070
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 Thurman Draw Unit ✓
8. Well Number 1 ✓
9. OGRID Number 025575 ✓
10. Pool name or Wildcat Wildcat; Mississippian (Gas)

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>C</u> : <u>1200</u> feet from the <u>North</u> line and <u>1850</u> feet from the <u>West</u> line 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.) 4341'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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Set conductor, surface & intermediate 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.

10/21/10 – Set and cemented 40' of 20" conductor. Notified NMOCD via voicemail at 10:00 PM of operations.

10/27/10 – Resumed drilling at 6:30 PM.

10/28/10 – TD 17-1/2" hole to 540'. Set 13-3/8" 48# J-55 ST&C casing at 540'. Cemented with 260 sx Class "C" + 0.125#/sx D130 + 4% D20 + 0.2% D46 + 2% S1 (yld 1.97, wt 12.9). Tailed in with 200 sx Class "C" + 0.125#/sx D130 + 1% S1 (yld 1.34, wt 14.8). Circulated 130 sx to pit. Tested casing to 600 psi, held test for 30 min. WOC 24 hrs 20 min. Reduced hole to 12-1/4" and resumed drilling.

11/1/10 – TD 12-1/4" hole to 3541'.

11/2/10 – Set 9-5/8" 36# J-55 LT&C casing at 3541'. Cemented stage 1 with 370 sx 35:65 Poz "C" + 0.2% D13 + 0.125#/sx D130 + 6% D20 + 2#/sx D42 + 5% D44 + 0.2% D46 (yld 2.18, wt 12.4). Tailed in with 200 sx Class "C" + 0.2% D13 (yld 1.34, wt 14.8). Circulated 232 sx to pit. Cemented stage 2 with 510 sx 35:65 Poz "C" + 0.2% D13 + 0.125#/sx D130 + 6% D20 + 2#/sx D42 + 5% D44 + 0.2% D46 (yld 2.18, wt 12.4). Tailed in with 100 sx Class "C" + 0.2% D13 (yld 1.34, wt 14.8). Circulated 206 sx to pit. Tested casing to 1500 psi for 30 min. WOC 27 hrs 15 min. Reduced hole to 8-3/4" and resumed drilling.

Spud Date:

7/27/10

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 November 9, 2010

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

APPROVED BY David Gray TITLE Field Supervisor DATE 2-15-11  
Conditions of Approval (if any):

Accepted for record - NMOCD