

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

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)		WELL API NO. 30-015-37549
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-0693
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name B. Graham BPU State
4. Well Location Unit Letter <u>M</u> : <u>380</u> feet from the <u>South</u> line and <u>200</u> feet from the <u>West</u> line Section <u>1</u> Township <u>26S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2941'		9. OGRID Number 025575
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.

Bottom hole location for this well is Section 1, T26S-R28E, Unit P. 380' FSL and 330' FEL.
Yates Petroleum Corporation respectfully requests permission to change the hole and casing program on this well.
It is also requested to omit the pilot hole. See attachments for revised hole sizes, casing and cement program.

Thank-you,

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 7/19/10

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

For State Use Only
APPROVED BY: Donald Gray TITLE Field Supervisor DATE 7-19-2010
Conditions of Approval (if any):

B. Graham BPU State #1H

Surface Casing

Drilled with a 17 1/2" hole

0 ft to 400 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
13.375 inches	48 #/ft	J-55	ST&C		4,330	3,250	5,410
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
740	2,370 psi	433,000 #	744,000 #		12,559		

Cemented w/425sx C (YLD 1.34 Wt 14.8) TOC= Surface

Intermediate Casing

Drilled with 12 1/4" hole

0 ft to 2,750 ft				Make up Torque ft-lbs			Total ft =
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		

Cemented w/725sx C-Lite (YLD 2.0 Wt 12.4), tail w/200sx Class C (YLD 1.34 Wt 14.8) TOC= Surface

Production Casing

Drilled with 8 3/4" hole to 7,143' then reduced to 7 7/8" to TD'

0 ft to 7,200 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
5.5 inches	17 #/ft	HCP-110	LT&C		4,620	3,470	5,780
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
8,580 psi	10,640 psi	445,000 #	546,000 #		4,767		

7,200 ft to 11,415 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
5.5 inches	17 #/ft	L-80	LT&C		3,410	2,560	4,260
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
6,290	7,740 psi	338,000 #	397,000 #		4,767		

DV tools placed at 6100'

Stage I: Cemented w/1425sx PVL (YLD 1.41 Wt 13) TOC= 6100'

Stage II: Cemented w/1380sx PVL (YLD 1.41 Wt 13) TOC= 2250'

An 8 3/4" hole will be drilled to 7,143' MD (6,870' TVD). Decision will then be made whether to set 7" or not. If 7" casing is not set, then hole size will be reduced to 7 7/8" and drilled to 11,415' MD (6,870' TVD) where 5 1/2" casing will be set and cemented as per the above production casing/cement design.

Contingency Casing Design

If hole conditions dictate, 7" casing will be set at 7,143' MD (6,870' TVD) A 6 1/8" hole will then be drilled to 11,415' MD (6,870' TVD) where 4 1/2" casing will be set and cemented with one stage up to dv tool After completion procedures, the 4 1/2" casing will be cut and pulled at 6300'

2nd Intermediate

Drilled with 8 3/4" hole.

0 ft to 100 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	26 #/ft	J-55	LT&C		3670	2750	4590
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
4,320 psi	4,980 psi	367,000 #	415,000 #		6.151		

100 ft to 5,800 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	23 #/ft	J-55	LT&C		3130	2350	3910
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
3,270 psi	4,360 psi	313,000 #	366,000 #		6.25		

5,800 ft to 7,143 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	26 #/ft	J-55	LT&C		3670	2750	4590
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
4,320 psi	4,980 psi	367,000 #	415,000 #		6.151		

DV tools placed at 6100'.

Stage I: Cemented w/225sx PVL (YLD 1.41 Wt 13) TOC= 6100'

Stage II: Cemented w/1300sx PVL (YLD 1.41 Wt 13) TOC= 0'

Production

Drilled with 6 1/8" hole.

0 ft to 11,415 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
4.5 inches	11.6 #/ft	HCP-110	LT&C		3020	2270	3780
Collapse Resistance	Internal Yield	Joint Strength	Body Yield		Drift		
3,650 psi	10,690 psi	279,000 #	367,000 #		3.875		

DV tool placed at approx. 6300' and cemented with one stage up to dv tool. After completion procedures, the 4 1/2" casing will be cut and pulled at 6300'.

Cemented w/700sx PVL (YLD 1.41 Wt 13) TOC= 6300'

Co: Yates Petroleum	Units: Feet, ° 7100ft	VS Az: 90.00	Tgt TVD: 6870.00
Drillers: 0	Elevation:	Tgt Radius: 0.00	Tgt MD: 0.00
Well Name: B. Graham BPU State #1H	Northing:	Tgt N/S: 0.00	Tgt Displ.: 0.00
Location: 0	Easting:	Tgt E/W: 4750.00	Method: Minimum Curvature

No	MD	CL	Inc	Azi	TVD	VS	N/S	E/W	BR	WR	DLS	Comments
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1	1370.00	1370.00	0.00	0.00	1370.00	0.00	0.00	0.00	0.00	0.00	0.00	Castille
2	2650.00	1280.00	0.00	0.00	2650.00	0.00	0.00	0.00	0.00	0.00	0.00	Delaware
3	3500.00	850.00	0.00	0.00	3500.00	0.00	0.00	0.00	0.00	0.00	0.00	Cherry Canyon
4	4750.00	1250.00	0.00	0.00	4750.00	0.00	0.00	0.00	0.00	0.00	0.00	Brushy Canyon
5	6390.00	1640.00	0.00	0.00	6390.00	0.00	0.01	0.00	0.00	0.00	0.00	Bone Springs
6	6392.54	6392.54	0.00	90.00	6392.54	0.00	0.01	0.00	0.00	1.41	0.00	KOP
7	6400.00	7.46	0.90	90.00	6400.00	0.06	0.01	0.06	12.00	0.00	12.00	
8	6500.00	100.00	12.90	90.00	6499.09	12.04	0.01	12.04	12.00	0.00	12.00	
9	6600.00	100.00	24.90	90.00	6593.53	44.37	0.01	44.37	12.00	0.00	12.00	
10	6700.00	100.00	36.90	90.00	6679.19	95.62	0.01	95.62	12.00	0.00	12.00	
11	6800.00	100.00	48.90	90.00	6752.31	163.56	0.01	163.56	12.00	0.00	12.00	
12	6900.00	100.00	60.90	90.00	6809.71	245.23	0.01	245.23	12.00	0.00	12.00	
13	7000.00	100.00	72.90	90.00	6848.88	337.04	0.01	337.04	12.00	0.00	12.00	
14	7100.00	100.00	84.90	90.00	6868.11	434.99	0.01	434.99	12.00	0.00	12.00	
15	7142.53	750.00	90.00	90.00	6870.00	477.46	0.01	477.46	12.00	0.00	12.00	Avalon Shale Target
16	11415.07	4272.54	90.00	90.00	6870.01	4750.00	0.00	4750.00	0.00	0.00	0.00	Lateral TD

