

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  
June 19, 2008

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.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name Perdomo BMP State Com
2. Name of Operator Yates Petroleum Corporation	8. Well Number 1H
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	9. OGRID Number 025575
4. Well Location Surface L : 1650 feet from the South line and 660 feet from the West line BHL M : 5125 feet from the South line and 667 feet from the West line Section 24 Township 24S Range 27E NMPM Eddy County	10. Pool name or Wildcat Wildcat; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3149'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: Completion Operations ☒

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.

6/9/10 - Tagged DV tool at 5706'. Drilled DV tool and tested to 1000 psi. Held good. Tagged PBTD at 12,749'.  
6/10/10 - Tested production casing to 3000 psi, held good. Pickle casing and tubing with 1000g 15% HCL acid. Spotted 1500g 7-1/2% IC HCL inhibitor acid from 11,000'-12,749'. Tested production casing to 3000 psi, held good. Worked scraper across DV tool.  
6/13/10 - Pressure tested production casing to 3500 psi, held good. Perforated Bone Spring 12,747', 12,572', 12,397' and 12,222' for a total of 40 holes. Frac w/a 30# borate XL, 5716 bbls fluid, 64,129# 40/70 white sand, 116,469# 20/40 white sand, 73,850# 20/40 RCS.  
7/30/10 - Pumped 1500g 7-1/2% IC HCL DI acid. Spotted acid from 10,600'-12,047'.  
7/31/10 - Perforated Bone Spring 12,047', 11,872', 11,697', 11,522', 11,347', 11,172', 10,997' and 10,822'. Frac w/a 30# borate XL, 10,342 bbls fluid, 110,542# 40/70 Ottawa, 267,783# 20/40 Ottawa, 121,878# 20/40 RCS.

**CONTINUED ON NEXT PAGE:**

Spud Date: 8/1/08 Rig Release Date: 5/23/10

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 August 26, 2010

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

**For State Use Only**

APPROVED BY: R R Dade TITLE Dist IP Supervisor DATE 10/14/2010

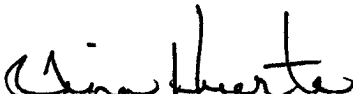
Conditions of Approval (if any):

**Form C-103 continued:**

8/11/10 – Spotted 1500g 7-1/2% HCL acid at 10,487'. Perforated Bone Spring 10,487', 10,337', 10,187' and 10,037' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5577 bbls fluid, 60,893# 40/70 Ottawa, 118,519# 20/40 Ottawa, 79,937# 20/40 RCS.

8/12/10 – Spotted 1500g 7-1/2% HCL acid at 9887'. Perforated Bone Spring 9887', 9737', 9587' and 9437' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5564 bbls fluid, 60,474# 40/70 Ottawa, 116,638# 20/40 Ottawa, 80,792# 20/40 RCS. Spotted 1500g 7-1/2% HCL acid at 9287'. Perforated Bone Spring 9287', 9137', 8987' and 8837' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5691 bbls fluid, 61,682# 40/70 Ottawa, 117,107# 20/40 Ottawa, 87,311# 20/40 RCS. Spotted 1500g 7-1/2% HCL acid at 8687'.

8/13/10 – Perforated Bone Spring 8687', 8537', 8387' and 8237' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5543 bbls fluid, 62,573# 40/70 Ottawa, 109,893# 20/40 Ottawa, 60,486# 20/40 RCS. Spotted 1500g 7-1/2% HCL acid at 8087'. Perforated Bone Spring 8087', 7937', 7787' and 7637' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5583 bbls fluid, 58,697# 40/70 Ottawa, 118,885# 20/40 Ottawa, 42,286# 20/40 RCS. Spotted 1500g 7-1/2% HCL acid at 7487'. Perforated Bone Spring 7487', 7337', 7187' and 7037' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5390 bbls fluid, 66,177# 40/70 Ottawa, 114,628# 20/40 Ottawa, 27,890# 20/40 RCS. Spotted 1500g 7-1/2% HCL acid at 6887'. Perforated Bone Spring 6887', 6737', 6587' and 6437' for a total of 40 holes. Spearhead 1500g 7-1/2% HCL acid ahead of frac. Frac w/a 30# borate XL, 5493 bbls fluid, 64,843# 40/70 Ottawa, 117,360# 20/40 Ottawa, 61,553# 20/40 RCS. 2-7/8" 6.5# L-80 tubing and 5-1/2" 17# WL set AS-1 packer with 2.25" blanking plug in place at 5645'.

  
\_\_\_\_\_  
Regulatory Compliance Supervisor  
August 26, 2010

WELL/LEASE: Perdomo BPM State # 1H  
COUNTY: Eddy Co., New Mexico  
Sec. 24, T24S, R27E

RECEIVED

AUG 30 2010

NMOCD ARTESIA

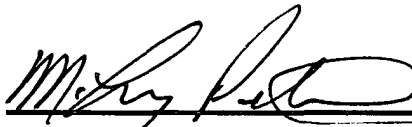
30-015-36489

STATE OF NEW MEXICO

DEVIATION REPORT

<u>Depth</u>	<u>Deviation</u>	<u>Depth</u>	<u>Deviation</u>
168	1/2	4,232	3/4
357	1/2	4,421	1 1/4
803	1/4	4,796	1/2
853	1	4,984	1/2
1,041	1/4	5,173	3/4
1,230	3/4	5,360	1
1,419	1/2	5,548	1
1,604	1/2	5,736	1
1,701	2 3/4	5,925	1
1,795	3 3/4	6,113	1
1,888	3	6,301	1 1/4
1,982	3 1/2	6,678	2 1/4
2,076	2 1/4	6,866	1/2
2,170	2	6,960	1
2,350	1	7,147	1/4
2,538	3/4	7,336	1
2,726	1 1/4	7,525	1
2,914	3/4	7,714	1
3,103	3/4	7,903	1
3,667	1	8,279	2 1/4
		8,373	2 1/2
		8,901	3/4

Patriot Drilling, LLC



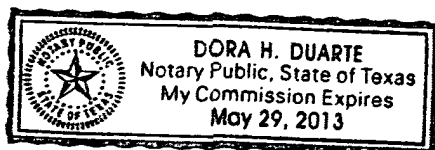
M. Leroy Peterson, Executive Vice-President

The foregoing instrument was acknowledged before me on this 25th day of May, 2010 by M. Leroy Peterson, Executive Vice-President of Patriot Drilling, LLC.

My Commission Expires: 5/29/2013



Dora H. Duarte  
Notary Public for Midland Co., Texas



Submit To Appropriate District Office Two Copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 R. Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	<div style="border: 2px solid black; padding: 5px; transform: rotate(-5deg); display: inline-block;"> <b>RECEIVED</b>  <b>AUG 30 2010</b>  <b>NM OGD ARTESIA</b> </div> <div style="margin-top: 10px;"> <b>State of New Mexico</b>  <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b>  <b>1220 South St. Francis Dr.</b>  <b>Santa Fe, NM 87505</b> </div>	<b>Form C-105</b> July 17, 2008  1. WELL API NO. 30-015-36499 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No. VB-827 & VO-5867
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## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

4. Reason for filing:  <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only)  <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)	5. Lease Name or Unit Agreement Name Perdomo BMP State Com 6. Well Number: 1H
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7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER
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8. Name of Operator Yates Petroleum Corporation	9. OGRID 025575
--	--------------------

10. Address of Operator 105 South Fourth Street, Artesia, NM 88210	11. Pool name or Wildcat <i>WILLOW LAKE</i> Wildcat, Bone Spring (Oil) <i>BONE SPRING, WEST</i>
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12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
<b>Surface:</b>	L	24	24S	27E		1650	South	660	West	Eddy
<b>BH:</b>	M	25	24S	27E		5125	South	667	West	Eddy

13. Date Spudded RH 8/1/08 RT 4/30/10	14. Date T.D. Reached 5/20/10	15. Date Rig Released 5/23/10	16. Date Completed (Ready to Produce) 8/21/10	17. Elevations (DF and RKB, RT, GR, etc.) 3149'GR 3175'KB
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18. Total Measured Depth of Well 12,797'	19. Plug Back Measured Depth 12,749'	20. Was Directional Survey Made? Yes (Attached)	21. Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array, CBL
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22. Producing Interval(s), of this completion - Top, Bottom, Name 6437'-12,747' Bone Spring
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### 23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	Conductor	90'	26"	Redi-mix	
13-3/8"	48#	805'	17-1/2"	650 sx (circ)	
9-5/8"	36#	2286'	12-1/4"	750 sx (circ)	
5-1/2"	17#	12,797'	8-3/4"	2010 sx	

24. LINER RECORD					25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	5645'	5645'

26. Perforation record (interval, size, and number)  <b>SEE ATTACHED SHEET</b>	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL      AMOUNT AND KIND MATERIAL USED  <b>SEE ATTACHED SHEET</b>
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### 28. PRODUCTION

Date First Production 8/22/10		Production Method ( <i>Flowing, gas lift, pumping - Size and type pump</i> ) Flowing			Well Status ( <i>Prod or Shut-in</i> ) Producing		
Date of Test 8/24/10	Hours Tested 24	Choke Size 1"	Prod'n For Test Period	Oil - Bbl 138	Gas - MCF 2815	Water - Bbl. 2058	Gas - Oil Ratio NA
Flow Tubing Press. 660 psi	Casing Pressure Packer	Calculated 24-Hour Rate	Oil - Bbl 138	Gas - MCF 2815	Water - Bbl. 2058	Oil Gravity - API - ( <i>Corr</i> ) NA	

29. Disposition of Gas ( <i>Sold, used for fuel, vented, etc.</i> ) Sold	30. Test Witnessed By R. Smith
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31. List Attachments Logs, Deviation and Directional Surveys
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32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.
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33. If an on-site burial was used at the well, report the exact location of the on-site burial:
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Latitude	Longitude	NAD 1927 1983
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief		
Signature <i>Tina Huerta</i> Printed Name <u>Tina Huerta</u>	Title <u>Regulatory Compliance Supervisor</u>	Date <u>August 26, 2010</u>
E-mail Address <u>tinah@yatespetroleum.com</u>		

KZ

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy	T. Canyon		T. Ojo Alamo	T. Penn A
T. Salt	T. Strawn		T. Kirtland	T. Penn. "B
B. Salt	T. Atoka		T. Fruitland	T. Penn. "C
T. Yates	T. Miss		T. Pictured Cliffs	T. Penn. "D
T. 7 Rivers	T. Devonian		T. Cliff House	T. Leadville
T. Queen	T. Silurian		T. Menefee	T. Madison
T. Grayburg	T. Montoya		T. Point Lookout	T. Elbert
T. San Andres	T. Simpson		T. Mancos	T. McCracken
T. Glorieta	T. McKee		T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger		Base Greenhorn	T. Granite
T. Blinebry	T. Gr. Wash		T. Dakota	
T. Tubb	T. Delaware Sand		T. Morrison	
T. Drinkard	T. Bone Springs	5884'	T. Todilto	
T. Abo	T. Rustler	770'	T. Entrada	
T. Wolfcamp	T. Bell Canyon	2442'	T. Wingate	
T. Penn	T. Cherry Canyon	3270'	T. Chinle	
T. Cisco	T. Brushy Canyon	4566'	T. Permian	

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

## LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

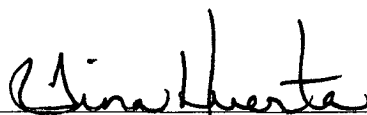
**C-105 continued:**

**26. Perforation Record (interval, size, and number)**

12,747'	10,997'	9287'	7787'
12,572'	10,822'	9137'	7637'
12,397'	10,487'	8987'	7487'
12,222'	10,337'	8837'	7337'
12,047'	10,187'	8687'	7187'
11,872'	10,037'	8537'	7037'
11,697'	9887'	8387'	6887'
11,522'	9737'	8237'	6737'
11,347'	9587'	8087'	6587'
11,172'	9437'	7937'	6437'

**27. Acid, Shot, Fracture, Cement, Squeeze, ETC.**

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
11,000'-12,749'	Spotted 1500g 7-1/2% IC HCL inhibitor acid
12,222'-12,747'	Frac w/a 30# borate XL, 5716 bbls fluid, 64,129# 40/70 white sand, 116,469# 20/40 white sand, 73,850# 20/40 RCS
10,822'-12,047'	Frac w/a 30# borate XL, 10,342 bbls fluid, 110,542# 40/70 Ottawa, 267,783# 20/40 Ottawa, 121,878# 20/40 RCS
10,487'	Spotted 1500g 7-1/2% HCL acid
10,037'-10,487'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5577 bbls fluid, 60,893# 40/70 Ottawa, 118,519# 20/40 Ottawa, 79,937# 20/40 RCS
9887'	Spotted 1500g 7-1/2% HCL acid
9437'-9887'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5564 bbls fluid, 60,474# 40/70 Ottawa, 116,638# 20/40 Ottawa, 80,792# 20/40 RCS
9287'	Spotted 1500g 7-1/2% HCL acid
8837'-9287'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5691 bbls fluid, 61,682# 40/70 Ottawa, 117,107# 20/40 Ottawa, 87,311# 20/40 RCS
8687'	Spotted 1500g 7-1/2% HCL acid
8237'-8687'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5543 bbls fluid, 62,573# 40/70 Ottawa, 109,893# 20/40 Ottawa, 60,486# 20/40 RCS
8087'	Spearhead 1500g 7-1/2% HCL acid
7637'-8087'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5583 bbls fluid, 58,697# 40/70 Ottawa, 118,885# 20/40 Ottawa, 42,286# 20/40 RCS
7487'	Spotted 1500g 7-1/2% HCL acid
7037'-7487'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5390 bbls fluid, 66,177# 40/70 Ottawa, 114,628# 20/40 Ottawa, 27,890# 20/40 RCS
6887'	Spotted 1500g 7-1/2% HCL acid
6437'-6887'	Spearhead 1500g 7-1/2% HCL acid ahead of frac, Frac w/a 30# borate XL, 5493 bbls fluid, 64,843# 40/70 Ottawa, 117,360# 20/40 Ottawa, 61,553# 20/40 RCS

  
 \_\_\_\_\_  
 Regulatory Compliance Supervisor  
 August 26, 2010

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

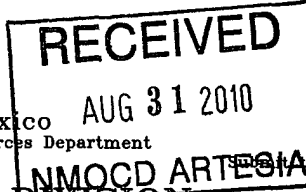
DISTRICT II  
1301 W. Grand Avenue, Artesia, NM 88210

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 Department

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505



Form C-102  
Revised October 12, 2005  
Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-013-36499</b>	Pool Code <b>964015</b>	Pool Name <b>WILLOW LAKE</b>
Property Code <b>37296</b>	Property Name <b>PERDOMO "BMP" STATE</b>	Well Number <b>1H</b>
OGRID No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORP.</b>	Elevation <b>3149'</b>

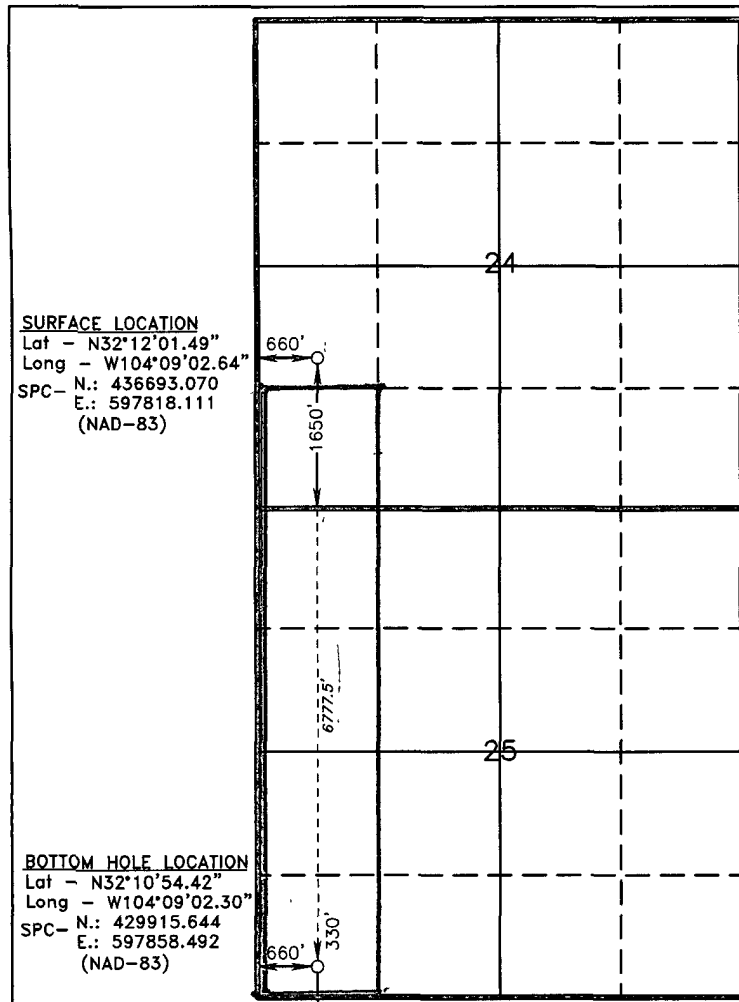
**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	24	24 S	27 E		1650	SOUTH	660	WEST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	24 S	27 E		<b>5125</b>	SOUTH	<b>667</b>	WEST	EDDY
Dedicated Acres <b>200</b>	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*(Tina Huerta)* 8-26-10  
Signature Date  
**TINA HUEKTA**  
Printed Name

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

JULY 27 2008  
Date Surveyed  
Signature of **GARY L. JONES**  
Professional Surveyor  
Certificate No. Gary L. Jones 7977  
BASIN SURVEYS