

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. 30-015-37997
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4567
7. Lease Name or Unit Agreement Name Rudolph ATX State Com
8. Well Number 3H
9. OGRID Number 025575
10. Pool name or Wildcat Lusk; Bone Spring, West

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"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>M</u> : <u>330</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>16</u> Township <u>19S</u> Range <u>31E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3472'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: Production 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.

11/11/10 - KOP at 8467' and continued to drill directionally.

11/25/10 - Reached TD 8-3/4" hole to 13,333'.

11/26/10 - Set 5-1/2" 17# HCP-110, L-80 LT&C casing at 13,330'. DV tool at 6017'. Float collar at 13,282'. Cemented stage 1 with 660 sx Versacem "H" + 0.5% CFR-3 + 0.25#/sx D-AIR 3000 + 0.4% LAP-1 (yld 1.23, wt 14.4). Tailed in with 670 sx SoluChem-V + 30#/sx Calcium Carbonate + 0.5% Halad4-344 + 0.2% HR-601 (yld 1.87, wt 13.8). Opened DV tool with 825 psi. Circulated cement off tool. Circulated 55 bbls to pit. Circulated DV tool. Cemented stage 2 with 400 sx Econocem HLC (yld 1.85, wt 12.7). Tailed in with 100 sx Halcem-H (yld 1.19, wt 15.6).

RECEIVED

DEC 10 2010

NMOCD ARTESIA

Spud Date: 7/30/10

Rig Release Date: 11/27/10

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 December 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 12-16-10
Conditions of Approval (if any): GH