

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. 30-015-38262 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0807
7. Lease Name or Unit Agreement Name Yaddock BQY State ✓
8. Well Number 1H ✓
9. OGRID Number 025575 ✓
10. Pool name or Wildcat Rock Spur; Bone Spring

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 H : 1830 feet from the North line and 330 feet from the East line Unit Letter E : 1980 feet from the North line and 330 feet from the West line Section 36 Township 25S Range 28E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2926' 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 ☐

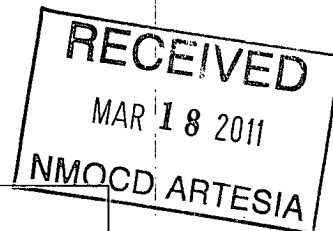
OTHER: Surface and Intermediate casing ☒

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.

3/4/11 – Resumed drilling at 1:00 PM.

3/5/11 – TD 17-1/2" hole to 403'. Set 13-3/8" 48# J-55 8rd ST&C casing at 403'. Cemented with 200 sx Class "C" + 4% D020 + 0.2% D046 + 2% S001 (yld 1.97, wt 12.9). Tailed in with 198 sx Class "C" + 1% S001 (yld 1.34, wt 14.8). Circulated 188 sx to pit. Tested casing to 1200 psi for 30 min with no loss. WOC 40 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

3/11/11 – TD 12-1/4" hole to 2640'. Set 9-5/8" 36# J-55 LT&C casing at 2640'. Cemented with 600 sx 35:65:6 Poz "C" + 6% D020 + 2#/sx D042 + 5% D044 + 0.2% D046 + 0.125#/sx D130 (yld 2.08, wt 12.6). Tailed in with 200 sx 35:65:6 Poz "C" + 0.1% D201 (yld 1.33, wt 14.8). Circulated 189 sx to pit. Tested casing to 1000 psi for 30 min. WOC 27 hrs 30 min. Reduced hole to 8-3/4" and resumed drilling.



Spud Date:

11/30/10

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: March 17, 2011

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: 4-11-11

Conditions of Approval (if any)