

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

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

Form C-103
October 13, 2009

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. 30-015-37555
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. VO-7290
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Cheroot BPF State Com
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>East</u> line Section <u>3</u> Township <u>25S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3191'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; Bone Spring

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.

4/30/11 – Resumed drilling at 3:00 AM. TD 17-1/2" hole to 395'. Set 13-3/8" 48# H-40 ST&C casing at 395'. Cemented with 170 sx Class "C" + 639# D020 + 31# D046 + 15,980#/sx D903 + 320# S001 (yld 1.97, wt 12.9). Tailed in with 200 sx Class "C" + 18,800# D903 + 188# S001 (yld 1.33, wt 14.8). Circulated 77 sx to pit. Tested casing to 1000 psi for 30 min, Ok. WOC 50 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

5/5/11 – TD 12-1/4" hole to 2403'. Set 9-5/8" 36# K-55 LT&C casing at 2403'. Cemented with 740 sx Class "C" + 4% D020 + 0.125#/sx D130 + 1% S001 (yld 1.97, wt 12.9). Tailed in with 200 sx Class "C" + 0.1% S001 (yld 1.33, wt 14.8). Tested casing to 1000 psi for 30 min, Ok. WOC 27 hrs 45 min. Reduced hole to 8-3/4" and resumed drilling.

Spud Date:

2/1/10

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 May 9, 2011

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

For State Use Only

APPROVED BY: David May TITLE Field Supervisor DATE MAY 25 2011

Conditions of Approval (if any):