

SEP 02 2009

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. :

30-025-39947 ✓

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VB-844

7. Lease Name or Unit Agreement Name

Quijote BQJ State Com

8. Well Number

1H

9. OGRID Number

025575

10. Pool name or Wildcat

Wildcat; 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 ☒ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

4. Well Location

Surface O : 480 feet from the South line and 1650 feet from the East line
 BHL B 4951.427 feet from the S North Line and 1684 1832 feet from the East line
 Section 2 Township 26S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3331' 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

6/19/11 – NU BOP.

6/20/11 – TIH and tagged at 8483'. Drilled cement to 8495'. Drilled DV tool at 8495'. Tested DV tool to 1000 psi, held good. Worked across DV tool at 8495'.

6/21/11 – Ran CBL/GR/CC log from 9210' up to surface. Tagged cement at 13,294'. Drilled cement to 13,333 and circulated hole clean.

6/22/11 – Pressure tested 5-1/2" 20# casing to 2800 psi, held good. Pumped 500g Zylene, 1200g 15% HCL pickled acid down annulus. Circulated hole with 3% KCL with petrolite CRW-132 chemical. Spotted 2500g 7-1/2% IC HCL triple inhibited acid from 10,570'-13,320'.

6/23/11 – Perforated Bone Spring 13,330' (12), 13,207' (12), 13,084' (12) and 12,961' (12). Pumped 100 bbls fluid down annulus to displace acid. Pumped 30 bbls fluid down tubing. ND BOP.

8/8/11 – Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7086 bbls fluid, 14,750# 100 mesh sand, 81,085# 40/70 white sand, 126,667# 20/40 white sand, 5000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 12,836'. Set flow through plug at 12,900'. Perforated Bone Spring 12,836' (12), 12,715' (12), 12,592' (12) and 12,469' (12). Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7556 bbls fluid, 14,874# 100 mesh sand, 63,717# 40/70 white sand, 150,469# 20/40 white sand, 42,000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 12,346'. Set flow through plug at 12,408'. Perforated Bone Spring 12,346' (12), 12,223' (12), 12,100' (12) and 11,977' (12).

CONTINUED ON NEXT PAGE:

Spud Date:

1/31/11

Rig Release Date:

6/1/11

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 31, 2011Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

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APPROVED BY: [Signature] TITLE STATE MGR DATE 10-13-2011

Conditions of Approval (if any):

OCT 13 2011

Form C-103 continued:

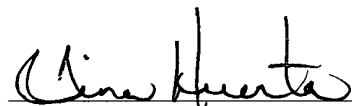
8/9/11 – Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7513 bbls fluid, 14,754# 100 mesh sand, 63,125# 40/70 white sand, 148,255# 20/40 white sand, 42,000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 11,854'. Set flow through plug at 11,916'. Perforated Bone Spring 11,854' (12), 11,731' (12), 11,608' (12) and 11,485' (12). Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7588 bbls fluid, 14,625# 100 mesh sand, 63,460# 40/70 white sand, 137,899# 20/40 white sand, 42,000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 11,362'. Set flow through plug at 11,424'. Perforated Bone Spring 11,362' (12), 11,239' (12), 11,116' (12) and 10,993' (12). Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7452 bbls fluid, 14,959# 100 mesh sand, 62,482# 40/70 white sand, 148,972# 20/40 white sand, 42,000# 20/40 white sand.

8/10/11 – Spotted 2500g 7-1/2% HCL acid at 10,870'. Set flow through plug at 10,932'. Perforated Bone Spring 10,870' (12), 10,747' (12), 10,624' (12) and 10,501' (12). Acidized with 2500g 7-1/2% HCL acid. Perfs did not break down very good. Pumped another 2000g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7464 bbls fluid, 14,882# 100 mesh, 63,760# 40/70 white sand, 148,677# 20/40 white sand, 42,000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 10,378'. Set flow through plug at 10,440'. Perforated Bone Spring 10,378' (12), 10,255' (12), 10,132' (12) and 10,009' (12). Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7532 bbls fluid, 14,710# 100 mesh, 59,767# 40/70 white sand, 148,626# 20/40 white sand, 42,000# 20/40 white sand. Spotted 2500g 7-1/2% HCL acid at 9886'. Set flow through plug at 9948'. Perforated Bone Spring 9882' (12), 9763' (12), 9640' (12) and 9517' (12). Acidized with 2500g 7-1/2% HCL acid.

8/11/11 – Re-acidized with 6000g 15% HCL acid. Frac with slickwater, 25# linear gel, 25# borate XL, 7743 bbls fluid, 14,854# 100 mesh sand, 63,304# 40/70 white sand, 143,777# 20/40 white sand, 84,000# 20/40 white sand.

8/15/11 – Drilled out all flow through plugs and drilled down to PBTD of 13,342'.

8/24/11 – TIH with 4.625" GR and JB to 8600'. 5-1/2" ASI-X wireline set packer with 2.25" F at 8400'. Circulated 190 bbls 2% KCL water. 2-7/8" 6.4# L-80 tubing at 8404'.



Regulatory Compliance Supervisor
August 31, 2011

WELL NAME: Quijote BQJ St Com #1H FIELD
 LOCATION: Unit O, 480' FSL and 1650' FEL (Surf) Sec 2-26S-32E Lea County
 GL: 3,262' ZERO: KB: 3,283.6'
 SPUD DATE: 4/23/11 COMPLETION DATE:
 COMMENTS: API No.: 30-025-39947

CASING PROGRAM

13-3/8" 48# H-40 ST&C	747'
9-5/8" 36# & 48# J-55 LT&C	4,782'
5 1/2" 20# L-80 LT&C	13,428'

