

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
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  
HOBBS OGD  
JAN 18 2012

Form C-103  
Revised August 1, 2011

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL OR TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-36384
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input checked="" 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-5629
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Kris BMQ State Com
4. Well Location Unit Letter <u>D</u> : <u>1300</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>West</u> line Section <u>28</u> Township <u>11S</u> Range <u>34E</u> NMPM <u>Lea</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc) 4188'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Eight Mile Draw; Morrow, NW

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: Plugback and perforate additional Morrow ☒

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.

12/18/11 - Loaded casing with 16 bbls fresh water. Casing tested good to 1000 psi for 10 min. NU BOP. Pumped 60 bbls down tubing. Released packer.  
12/19/11 - Set a CIBP at 12,150' with 35' cement on top. Loaded hole, took 220 bbls to load. Tested to 1000 psi, held good for 10 min.  
12/20/11 - Perforated Morrow 11,924'-11,932' (48), 11,942'-11,950' (48) and 11,988'-11,992' (24). ND BOP.  
12/16/11 - Pumped 35 bbls 7-1/2% Morrow type acid. Flushed with 73 bbls.  
12/29/11 - Pumped 100 bbls 7% KCL, could not catch pressure.  
1/3/12 - Loaded casing with 105 bbls. Tested to 500 psi, held good for 10 min. 2-7/8" 6.5# L-80 tubing and ASI-X packer at 11,789'.

Spud Date:

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 January 11, 2012

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JAN 19 2012

Conditions of Approval (if any):

JAN 23 2012