

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 PROPOSALS)		WELL API NO. 30-025-39941
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. VB-1384
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Blackberry BKB State Com
4. Well Location Unit Letter Lot 16 : 3300 feet from the South line and 330 feet from the East line Unit Letter Lot 13 : 3340 feet from the South line and 332 feet from the West line Section 6 Township 21S Range 34E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3727' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Berry; Bone Spring, North

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: Perforate additional Bone Spring ☒

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.

1/24/12 – Flowed well down from 85 psi to 0 psi in 4 min. Mixed 4 bbls PAO-103 Baker paraffin disperant in 90 bbl fluid. Pumped 30 bbls down 5-1/2" 17# casing. Well on vacuum. NU BOP. Pumped 30 bbls with chemical down casing – 1/4" paraffin on casing wall before pumping chemical. TIH to 3225'. Pumped 30 more bbls fluid to see if hole would load. Well on vacuum. Pumped 1 bbls PAO-103 paraffin dispersant down casing.
1/25/12 – Tagged at 7780', worked down to 7796'.
1/26/12 – Tagged top of guns at 9930'. Caught fish, pulled 35 pts over weight to shear off of flow thru frac plug at 9774'. Pumped 230 bbls fluid, loaded hole but plug would not hold pressure.
1/29/12 – TIH with flow thru plug and 2-7/8" tubing to a depth of 9760'. Pumped 60 bbls fluid down tubing. Dropped a 1-3/4" ball down tubing to set plug. Pressured up to 2420 psi and broke back. Flowed through frac plug at 9760'. Pressured up on annulus to 3000 psi to test plug. Pressure dropped from 3000 psi to 1080 psi in 15 min. Wellhead isolated with no leak off at surface. TOH with tubing.
1/30/12 – TIH to 9705', loaded hole, took 22 bbls fluid to load hole. Let well set for 30 min to check for fluid loss. Took 5 bbls to load in 45 min. Loaded hole with 29.3 bbls fluid. Pressured up to 3000 psi. Pressure dropped from 3000 psi to 1250 psi in 15 min. TIH to 9705'. Pressured up to 4750 psi, did not see any pressure loss when pressuring up. Perforated Bone Spring 9705' (10), 9568' (10), 9431' (10), 9294' (10) and 9157' (10). Pressure dropped from 4750 psi to 2670 psi in 10 min. Unable to pump into perms. All guns fired OK. ND BOP.

Spud Date: 2/7/11

Rig Release Date: 3/20/11

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 February 9, 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 FEB 15 2012
Conditions of Approval (if any):