

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 87401
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

Form C-103
Revised August 1, 2011

RECEIVED APR 05 2012 HOBBS OCD		WELL API NO. 30-005-29177
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)		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		6. State Oil & Gas Lease No.
2. Name of Operator Yates Petroleum Corporation		7. Lease Name or Unit Agreement Name Lee BRC
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		8. Well Number 1
4. Well Location Unit Letter <u>N</u> : <u>990</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>35</u> Township <u>11S</u> Range <u>31E</u> NMPM Chaves County		9. OGRID Number 025575
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4449'GR		10. Pool name or Wildcat TV; Penn

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.

2/28/12 - NU BOP.

2/29/12 - Tagged at 7828'. Drilled out cement to DV tool at 7831'. Drilled out DV tool and circulated clean. Tested casing to 1500 psi for 30 min, good. Tagged PBTD at 11,021'.

3/1/12 - RIH with bit and scraper to 11,022'. Pickled tubing and casing with 1000g 15% acid. Displaced hole with 3% KCL.

3/4/12 - Ran CCL/GR/CBL from 11,015'-2380' with 1500 psi.

3/5/12 - Set AS-1 packer with 2.25" on/off tool at 10,798'. Flanged well up. Dropped bar vent to assure packer is holding - good.

Dropped bar to fire TCP guns and perforated Morrow 10,861'-10,882' (126).

3/6/12 - RIH with 2.30" GR to on/off tool at 10,791'. RIH with bottomhole pressure buildup assembly to on/off tool at 10,791'. Hang tools off in profile. 2-7/8" L-80 tubing at 10,882'.

3/10/12 - Turned well over to production.

Current wellbore schematic attached

Spud Date: 1/16/12

Rig Release Date: 2/21/12

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE March 30, 2012

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

For State Use Only

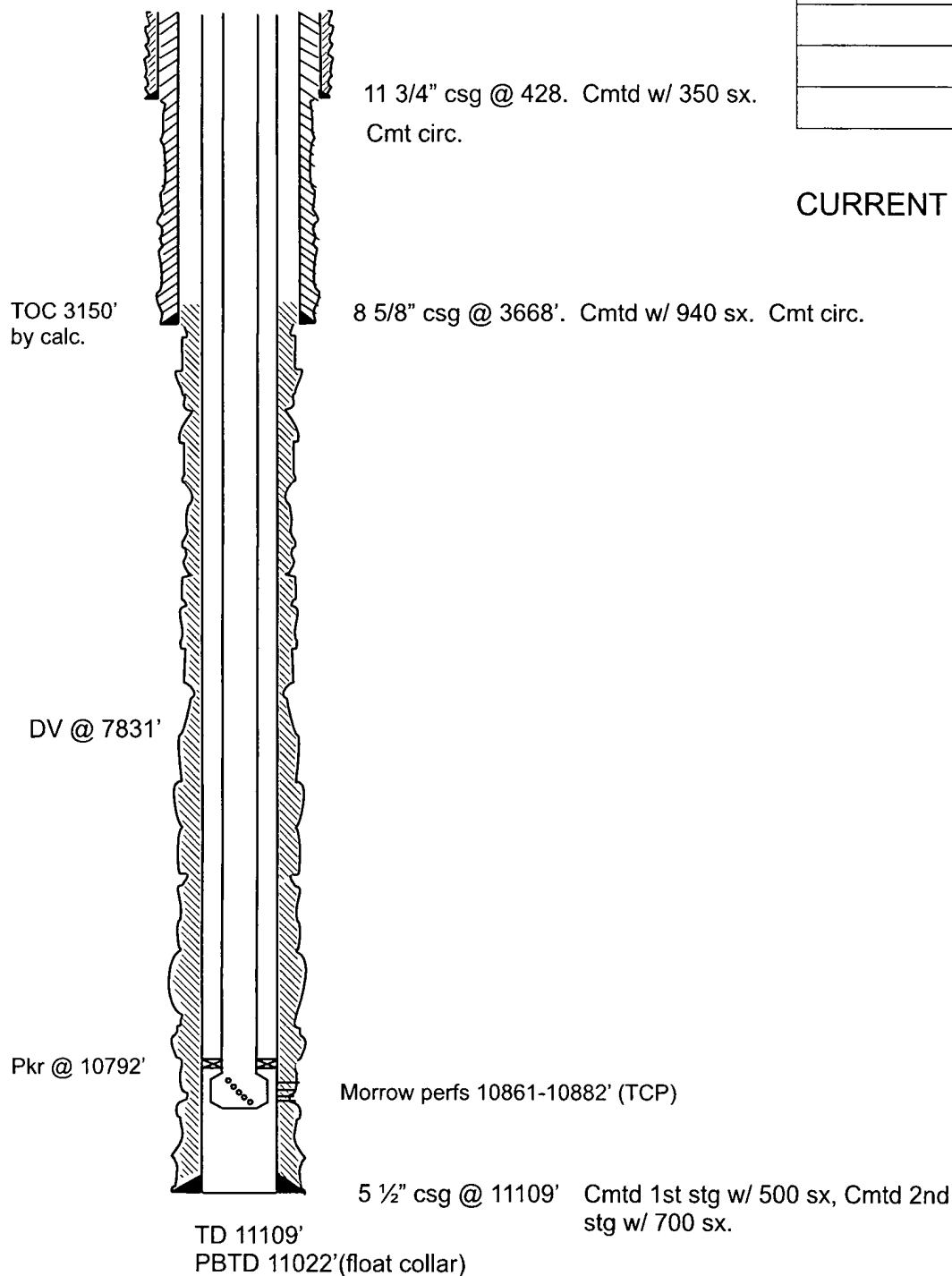
APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE APR 11 2012

Conditions of Approval (if any):

APR 11 2012

Well Name: Lee BRC #1		Field:	
Location: 990' FSL & 1980' FWL Sec. 35-11S-31E Chaves Co, NM			
GL: 4449'	Zero:	AGL:	KB: 4468'
Spud Date:		Completion Date:	
Comments:			

Casing Program	
Size/Wt/Grade/Conn	Depth
11 3/4" 42# H40	428'
8 5/8" 32# J55	3668'
5 1/2" 17# J55 & HCP110	11109'



CURRENT CONFIGURATION

Date: 2/21/12

LEE#1a