

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

**HOBBS OCD**  
**MAY 30 2012**

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-40311
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. VA-2174
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Jimenez BRJ State
4. Well Location Unit Letter <u>J</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>17</u> Township <u>10S</u> Range <u>32E</u> NMPM <u>Lea</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4395' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; San Andres

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: 5' new hole ☒

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.

5/25/12 - Made 5' new hole at 9:55 AM. TD 70'. Hole size 12-1/4". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

NOTE: Conductor with locking cap was set 11/21/11. Based on surface waters map the estimated top of fresh water is between 30-50'. At present, water has not been recorded in this wellbore.

Spud Date:

10/14/11

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 Reporting Supervisor DATE May 29, 2012

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

**For State Use Only**

APPROVED BY: E. Gonzales TITLE SPRINT MGR DATE 5-31-2012

Conditions of Approval (if any):

**MAY 31 2012**