

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

HOBBS OGD  
JUN 14 2012  
RECEIVED

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

Form C-103

Revised August 1, 2011

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)		WELL API NO. 30-025-40303
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-1023/VB-1033
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Naguss BRN State Com
4. Well Location Unit Letter M : 660 feet from the South line and 330 feet from the West line Unit Letter P : 660 feet from the South line and 330 feet from the East line Section 30 Township 21S Range 34E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc) 3672'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; Bone Spring

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: Intermediate casing ☒

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.

6/4/12 - TD 12-1/4" hole to 5538'.

6/5/12 - Set 9-5/8" 36#, 40# HCK-55 J-55 LT&C casing at 5538'. Cemented stage 1 with 410 sx 35:65:6 Poz "C" + 0.25% D013 + 7% D020 + 29#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 + 61#/sx D903 (yld 2.10, wt 12.6). Tailed in with 180 sx 35:65:6 Poz "C" + 42#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.125#/sx D130 + 47#/sx D903 (yld 1.36, wt 14.2). Circulated 134 sx to pit. Cemented stage 2 with 1650 sx 35:65:6 Poz "C" + 0.25% D013 + 7% D020 + 29#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.3%/sx D112 + 0.125#/sx D130 + 61#/sx D903 (yld 2.10, wt 12.6). Tailed in with 180 sx 50/50 Poz "C" + 42#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.125#/sx D130 + 47#/sx D903 (yld 1.36, wt 14.2). Circulated 27 sx to pit. Tested casing to 1200 psi for 30 min, good. WOC 46 hrs 30 min. Reduced hole to 8-3/4" and resumed drilling.

DU Tool @ ??

Spud Date:

9/29/11

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 June 11, 2012

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168  
For State Use Only PETROLEUM ENGINEER

APPROVED BY: [Signature] TITLE  DATE JUN 15 2012  
Conditions of Approval (if any):