

Office

Energy, Minerals and Natural Resources

Revised August 1, 2011

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBS OGD

JUN 26 2012

RECEIVED

WELL API NO.

30-025-40374

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-3524

7. Lease Name or Unit Agreement Name

Berry APN State

8. Well Number

2H

9. OGRID Number

025575

10. Pool name or Wildcat

Berry; Bone Spring, North

SUNDRY NOTICES/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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter OK Lot 13 : 2957 feet from the South line and 660 feet from the West lineUnit Letter Lot 4 : 320 feet from the South line and 660 feet from the West lineSection 5 Township 21S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3723' GR

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 ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐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.

5/24/12 - NU BOP. Tagged up at 8535'. Drilled 32' of cement down to DV tool at 8569'. DV tool fell out. Circulated hole clean.

5/28/12 - Pickled tubing and casing with 500g Xylene and 1200g 15% HCL. Displaced hole with 3% KCL and packer fluid.

5/29/12 - Cleaned up DV tool at 8569'. TIH with CCL/CBL/GR logging tools to 10,800'. Pressured up well to 1500 psi. Logged well to surface.

5/30/12 - Perforated Bone Spring 15,125' (10), 14,980' (14) and 14,841' (12).

5/31/12 - Spotted 2000g 7-1/2% NEFE HCL. ND BOP.

6/3/12 - Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 318,387#. Spotted 2500g 7-1/2% NEFE HCL. Perforate 14,693' (10), 14,549' (14) and 14,405' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 307,206#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 14,261' (10), 14,117' (14) and 13,973' (12).

6/4/12 - Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 315,749#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 13,829' (10), 13,685' (14) and 13,541' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 312,247#. Spotted 2500g 7-1/2% NEFE HCL.

CONTINUED ON NEXT PAGE:

Spud Date:

3/26/12

Rig Release Date:

5/21/12

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

SIGNATURE

TITLE

Regulatory Reporting Supervisor

DATE

June 25, 2012

Type or print name

Tina Huerta

E-mail address:

tinah@yatespetroleum.com

PHONE:

575-748-4168

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

JUL 03 2012

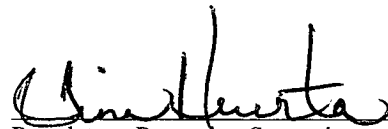
Conditions of Approval (if any):

JUL 03 2012

Form C-103 continued:

Perforated 13,397' (10), 13,253' (14) and 13,109' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 314,288#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 12,965' (10), 12,821' (14) and 12,677' (12).
6/5/12 – Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 301,196#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 12,533' (10), 12,389' (14) and 12,245' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 315,441#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 12,101' (10), 11,957' (14) and 11,813' (12).
6/6/12 – Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 336,951#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 11,669' (10), 11,525' (14) and 11,381' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 311,951#. Spotted 2500g 7-1/2% NEFE HCL. Perforated 11,237' (10), 11,093' (14) and 10,949' (12). Frac with 25# borate x-linked gel system carrying 30/50 CRC, total prop 306,480#.
6/7/12 – Circulate hole clean down to 15,095'.
6/17/12 – RIH with 4.65" GR/JB to 10,050'. Set ASI-X packer with 2.25" plug in place at 10,000'.
6/20/12 – Tested casing to 1500 psi, good. 2-7/8" 6.5# L-80 tubing at 10,015'.

Deviation and directional surveys are enclosed


Regulatory Reporting Supervisor
June 25, 2012