

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 OCD
OIL CONSERVATION DIVISION
20 South St. Francis Dr.
Santa Fe, NM 87505
MAY 14 2014

Form C-103
Revised July 18, 2013

RECEIVED	
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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD	7. Lease Name or Unit Agreement Name Fruit State SWD
2. Name of Operator Yates Petroleum Corporation	8. Well Number 1
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	9. OGRID Number 025575
4. Well Location Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Section <u>19</u> Township <u>21S</u> Range <u>34E</u> NMPM Lea County	10. Pool name or Wildcat SWD; Cherry Canyon
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,730' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Intermediate, production casing <input checked="" type="checkbox"/>	

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.

4/8-17/14 - Drilled to 4,597', fish in hole. TIH open ended to pump cement plug at 4,500'. Tagged at 4,497'. Cemented with 600 sacks Class "H" cement + .04 gal/sx D080 + 0.02 gal/sx D206 + 0.045 gal/sx D801 (yld 0.94, wt 17.5). WOC. Picked up directional tools, scribe motor. Tagged cement at 3,851'. Circulated and mud up. Drilled cement to 4,000'. Circulated while working string up and down to build through. Drilled out and resumed drilling. Drilled to 4,585' and laid down directional tools and continued drilling.
4/20/14 - TD 12-1/4" hole to 5,715'. Set 9-5/8" 36# and 40# J-55 and HCK-55 LT&C casing at 5,715'. Cemented stage 1 with 240 sacks 35:65:6 Poz "C" + 2.5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.13#/sx D130 + 0.1% D201 + 0.035% D208 (yld 1.93, wt 12.8). Tailed in with 300 sacks 50/50 Poz "C" + 0.5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D065 + 0.125#/sx D130 + 0.01 gal/sx D177 + 0.04% D208 (yld 1.38, wt 14.2). Cemented stage 2 with 740 sacks 35:65:6 Poz "C" + 5% D020 +

CONTINUED ON NEXT PAGE:

Spud Date:

3/26/14

Rig Release Date:

4/25/14

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

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE May 13, 2014

Type or print name Laura Watts E-mail address laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer

Conditions of Approval (if any):

DATE 05/13/14

MAY 15 2014

Form C-103 continued:

5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.13#/sx D130 (yld 1.97, wt 12.8). Tailed in with 100 sacks 50/50 Poz "C" + 0.5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D065 + 0.125#/sx D130 + 0.04% D208 (yld 1.38, wt 14.2). Did not circulate any cement to the surface. WOC.

4/21/14 – Tagged TOC at 672'. Cemented 1" from 672' to surface with 242 sacks Class "C" (yld 1.32, wt 14.5). Circulated 34 sacks to the surface.

4/22/14 – Tested casing to 1200 psi for 30 mins, ok. WOC 41 hours 30 mins. Reduced hole to 8-3/4" and resumed drilling.

4/23/14 - Reached TD 8-3/4 hole to 7,308'. Set 7" 26# L-80 LT&C casing 7,308'. Float collar at 7,260'. Cemented stage 1 with 290 sacks 50/50 Poz "C" + 5% D044 + 0.2% D046 + 0.08% D208 + 0.3% D800 (yld 1.35, wt 14.2). Cemented stage 2 with 455 sacks 35:65:6 Poz "C" + 5% D020 + 5% D044 + 0.2% D046 + 0.3% D065 + 0.125#/sx D130 + 0.01 gal/sx D177 (yld 2.04, wt 12.6). Tailed in with 100 sacks 50/50 Poz "C" + 0.5% D020 + 5% D044 + 0.2% D046 + 0.3% D065 + 0.04% D208 (yld 1.35, wt 14.2). Circulated 68 sacks to the surface.



Regulatory Reporting Technician
May 13, 2014