

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
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 AUG 11 2014
 RECEIVED

Form C-103
 Revised July 18, 2013

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. 30-025-36622
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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. VO-5542
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Cash-BNF State Com
4. Well Location Unit Letter <u>F</u> : <u>1500</u> feet from the <u>North</u> line and <u>1340</u> feet from the <u>West</u> line Section <u>18</u> Township <u>10S</u> Range <u>34E</u> NMPM Lea County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4,209'		9. OGRID Number 025575
10. Pool name or Wildcat X-4 Ranch; Morrow, West		

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

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

Yates Petroleum Corporation plans to repair the casing on this well as follows:

1. NU BOP. TOH with open ended tubing. Tag on top of fish and POOH. Continue with fishing operations as necessary to fish remaining tubing and packer out.
2. Make a bit and scraper run to 12,000'. Run an Imaging Caliper Log to inspect casing integrity from 6,000' to surface. Determine whether casing should be cut from above TOC and replaced with new casing or if casing damage can be repaired by a squeeze job.
3. If casing is to be repaired by a squeeze job, set a composite plug at least 50' below the squeeze interval making sure to set it in good casing below 5,000'. Set packer just above plug and test plug to 2000 psi. Release packer and pick up to 50' above squeeze interval. Test backside to 2000 psi for 30 min (record test on 3000 psi, 1 hour chart).

CONTINUED ON NEXT PAGE:

Spud Date: Rig Release Date:

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 August 8, 2014

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

For State Use Only

APPROVED BY: Malyk Brown TITLE Dist Supervisor DATE 8/11/2014
 Conditions of Approval (if any)

AUG 11 2014

Form C-103 continued:

4. Open intermediate casing at surface and attempt to establish circulation. Release packer and TOO. Set a composite cement retainer 50' above squeeze interval. Squeeze damaged casing and lift cement up to at least 3,000'. Sting out of retainer, reverse tubing clean and POOH to WOC.
5. Drill out cement retainer and cement, pressure test casing to 2,000 psi. Drill out composite plug and circulate clean. POOH.
6. TIH with production packer to 11,961'. Swab the well back on and return to production.



Regulatory Reporting Technician
August 8, 2014



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

Cash BNF State Com #2
1500' FNL & 1340' FWL
Sec. 18-10S-34E
Lea County, New Mexico
API # 30-025-36622

Workover Procedure
AFE # 14-178-0

5/25
8/8/14

Executive Summary:

Fish parted tubing and packer, repair casing and return to production.

TD: 12,550'
PBTD: 12,466'
GR: 4,209'
KB: 4,229'

Surface Casing: 13 3/4" 48# csg at 427'. Cemented with 420 sx. Cement circulated.
Intermediate Casing: 9 5/8" 36# & 40# csg at 4,084'. Cemented with 1420 sx. Cement circulated.
Production Casing: 5 1/2" 17# csg at 12,550'. Cemented with 2580 sx. TOC at 5,000' by CBL.

Workover Procedure:

1. MIRU well service unit and NU BOP. TOH with open ended tubing. RIH with impression block, tag on top of fish and POOH. Continue with fishing operations as necessary to fish remaining tubing and packer out.
2. After completing fishing operations, make a bit and scraper run to 12,000'. POOH w/ bit and scraper. RU WL to run an Imaging Caliper Log to inspect casing integrity from 6,000' to surface. Determine whether casing should be cut from above TOC and replaced with new casing or if casing damage can be repaired by a squeeze job.
3. If the casing is to be repaired by a squeeze job then set a composite plug at least 50' below the squeeze interval, making sure to set it in good casing below 5,000'. RIH with packer, set packer just above plug and test plug to 2000 psi. Release packer and pick up to 50' above squeeze interval. Test backside to 2000 psi for 30 min (record test on 3000 psi, 1 hour chart).
4. Open intermediate casing at surface and attempt to establish circulation. Release packer and POOH. TIH with a composite cement retainer and set 50' above squeeze interval. Squeeze damaged casing and lift cement up to at least 3,000'. Sting out of retainer, reverse tbg clean and POOH to WOC.

5. TIH with 4 3/4" bit and collars. Drill out cement retainer and cement, then pressure test casing to 2,000 psi. Drill out composite plug and circulate clean. POOH.

6. TIH with production packer to 11,961'. Swab the well back on and return to production.

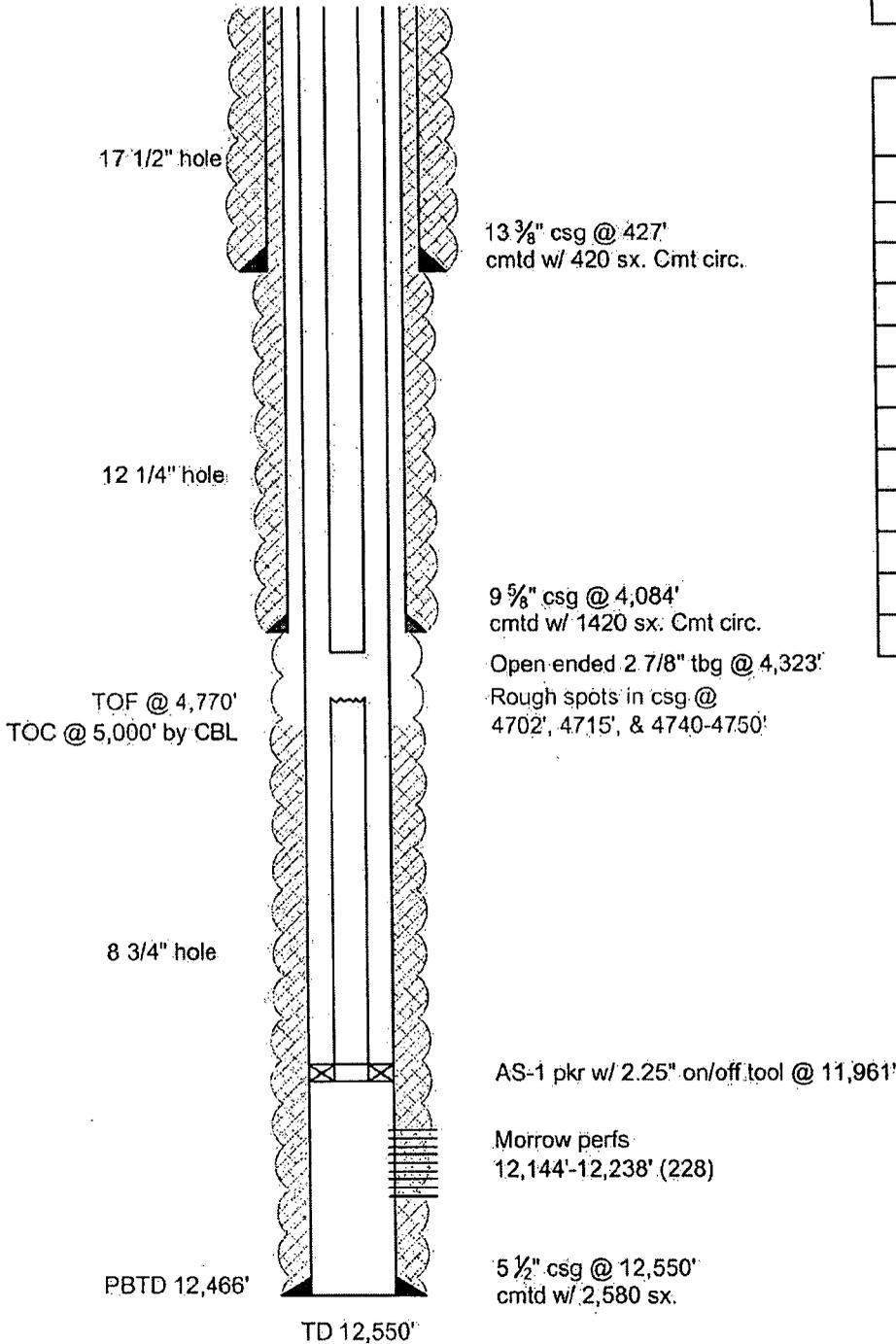
Engineer: Brice A. Letcher Date: 8/17/14 JWP 8/7/14
Brice A. Letcher

CC: Master File

Well Name: Cash BNF State Com #2 Field: _____
 Location: 1500' FNL & 1340' FWL Sec 18-10S-34E
 County: Eddy State: New Mexico
 GL: 4,209' Zero: _____ KB: 4,229'
 Spud Date: 4/4/2004 Completion Date: 7/22/2004
 Comments: API # 30-025-36622

Casing Program	
Size/Wt/Grade	Depth/Set
13 3/8" 48# H-40	427'
9 5/8" 36# & 40# J-55	4,084'
5 1/2" 17# J-55, L-80 & HCP-110	12,550'

BEFORE



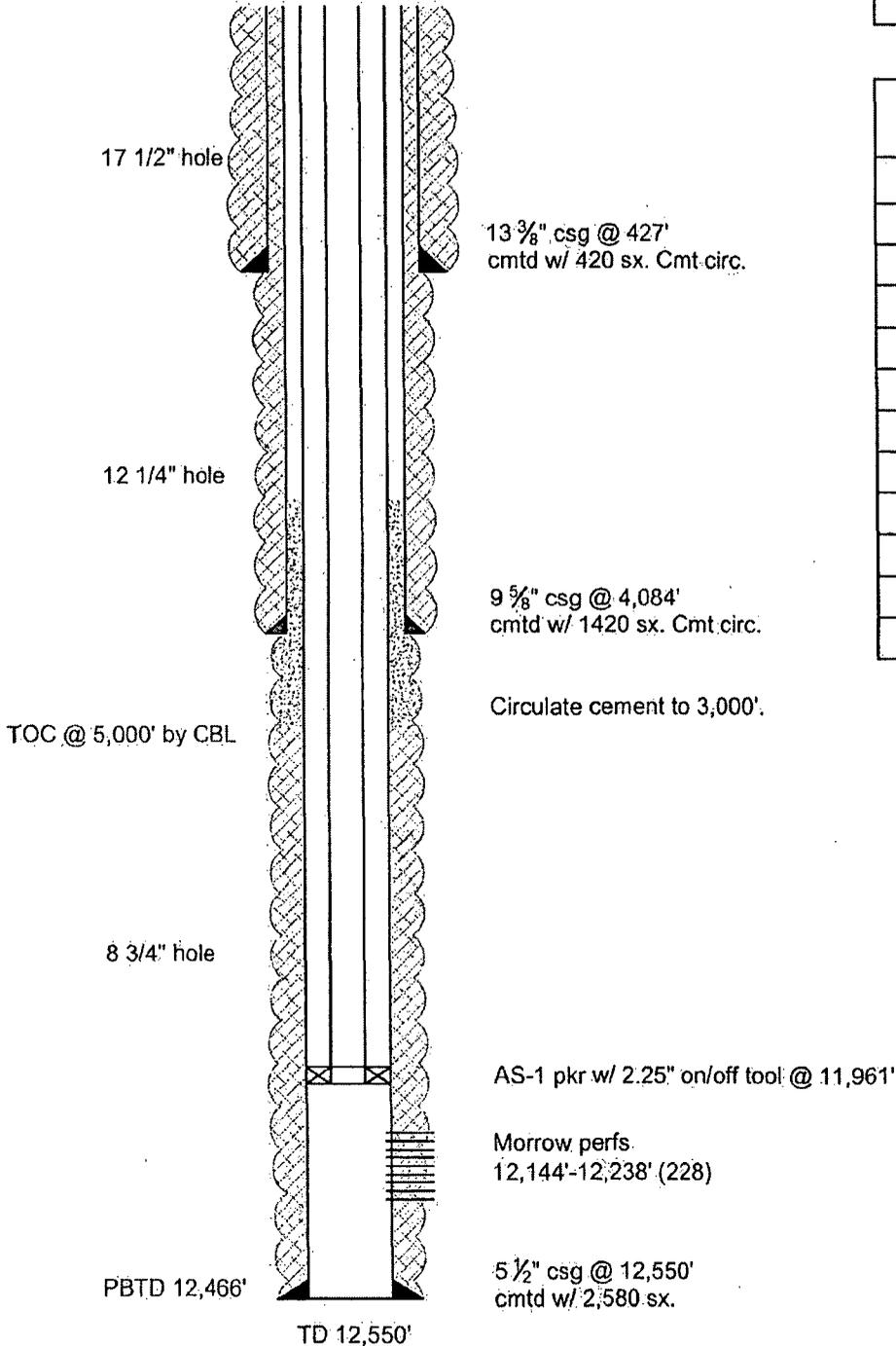
Tops of Formations	
Formation	Top
Rustler	2,040'
Yates	2,708'
San Andres	3,962'
Glorieta	5,410'
Tubb	6,898'
Abo	7,738'
Wolfcamp	8,980'
Atoka Shale	11,436'
Morrow	12,004'
Austin	12,240'
Lower Mississippian Lime	12,386'

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AFTER



SKETCH NOT TO SCALE

DATE: 8/6/2014