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

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

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-41670	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. VO-9011	
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.)	7. Lease Name or Unit Agreement Name Date BTB State Com
1. Type of Well: Oil Well ☒ Gas Well ☐ Other HOBBS OCD	8. Well Number 8H
2. Name of Operator Yates Petroleum Corporation OCT 22 2014	9. OGRID Number 025575
3. Address of Operator 105 S. 4th St. Artesia, NM 88210	10. Pool name or Wildcat 2nd Bone Springs Sand
4. Well Location RECEIVED Unit Letter P : 15 feet from the North line and 680 feet from the East line Section 14 Township 21S Range 33E NMPM Eddy County	
11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3,791' GR	

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER:	☐		

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 respectfully requests make the following changes to our well plan:
We request to change our TVD @ EOC to approx. 10,951' and @ EOL to approx. 10,986'. Directional plan is also attached. Target formation, casing weight and grade will remain the same. Cement volumes will be adjusted accordingly. We would also like to request to set our 9 5/8" intermediate casing @ approx. 5,600' as per the attached casing design. Our production cement will tie back 500' into previous casing string if intermediate string is cemented in one stage. If intermediate casing is cemented in 2 stages, production cement will tie back 200' above DV/Packer stage tool placement. Cement volumes will be adjusted accordingly.

Thank you.

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 Naomi Saiz TITLE Well Planning Tech DATE 10/21/14

Type or print name Naomi Saiz E-mail address: nsaiz@yatespetroleum.com PHONE: 575-748-4211

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE 10/22/14
Conditions of Approval (if any):

OCT 22 2014

YATES PETROLEUM CORPORATION

Yates Petroleum
Project: Lea County, NM (NAD-83)
Site: Date BTB State Com
Well: #8H
Wellbore: OH
Plan: Plan #1 (#8H/OH)

WELL DETAILS: #8H

Ground Elevation:: 3791.0
RKB Elevation: RKB @ 3812.6usft (Nomac 22 - KB=21.5')
Rig Name: Nomac 22 - KB=21.5'

Surface Hole Location

Northing	Easting	Latitude	Longitude
541458.20	786915.70	32° 29' 9.638 N	103° 32' 12.826 W

G T M

Azimuths to Grid North
True North: -0.43°
Magnetic North: 6.78°

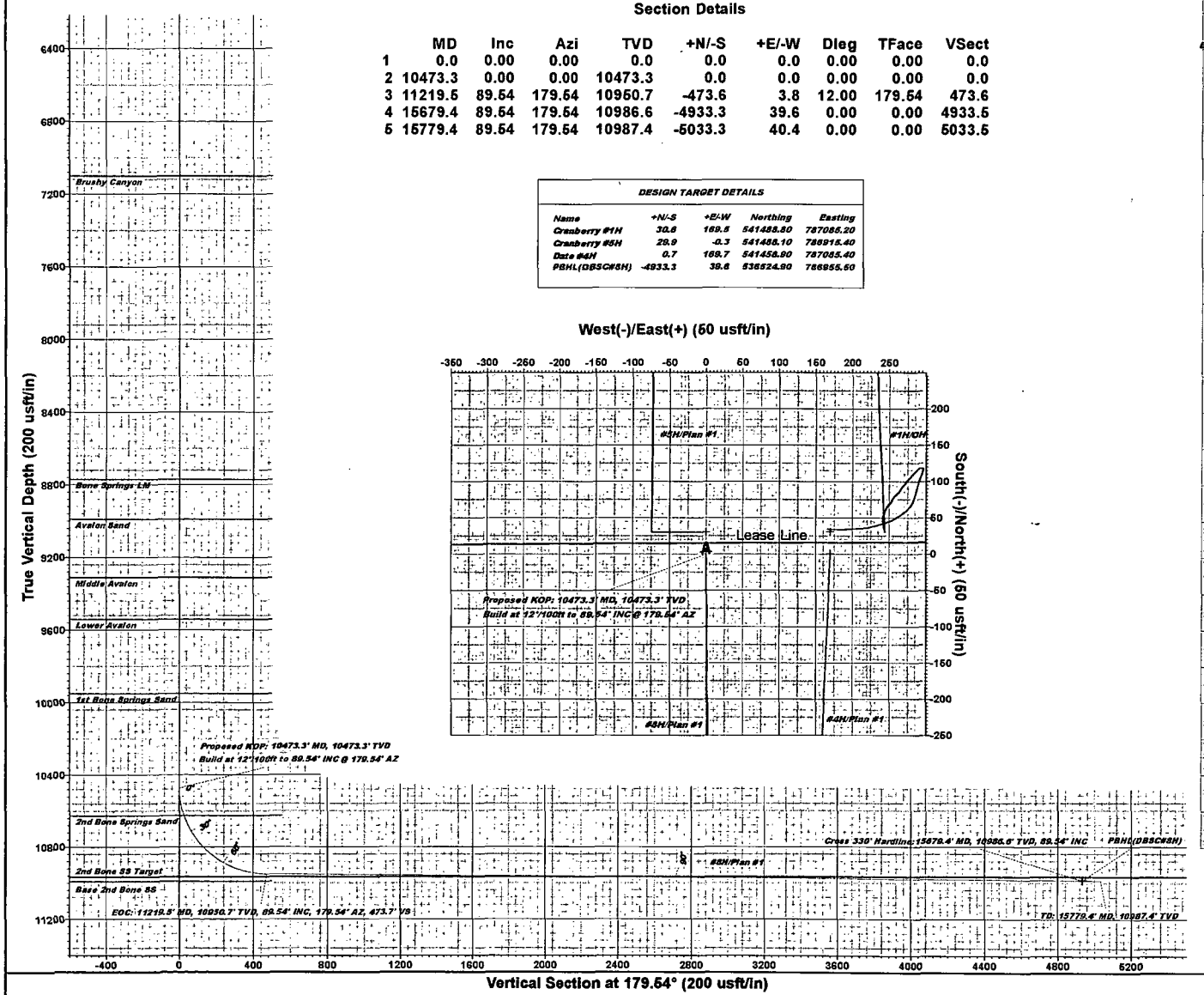
Magnetic Field
Strength: 48467.6snT
Dip Angle: 60.36°
Date: 7/10/2014
Model: IGRF2010

Section Details

	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
2	10473.3	0.00	0.00	10473.3	0.0	0.0	0.00	0.00	0.0
3	11219.5	89.54	179.54	10950.7	-473.6	3.8	12.00	179.54	473.6
4	15679.4	89.54	179.54	10986.6	-4933.3	39.6	0.00	0.00	4933.5
5	15779.4	89.54	179.54	10987.4	-5033.3	40.4	0.00	0.00	5033.5

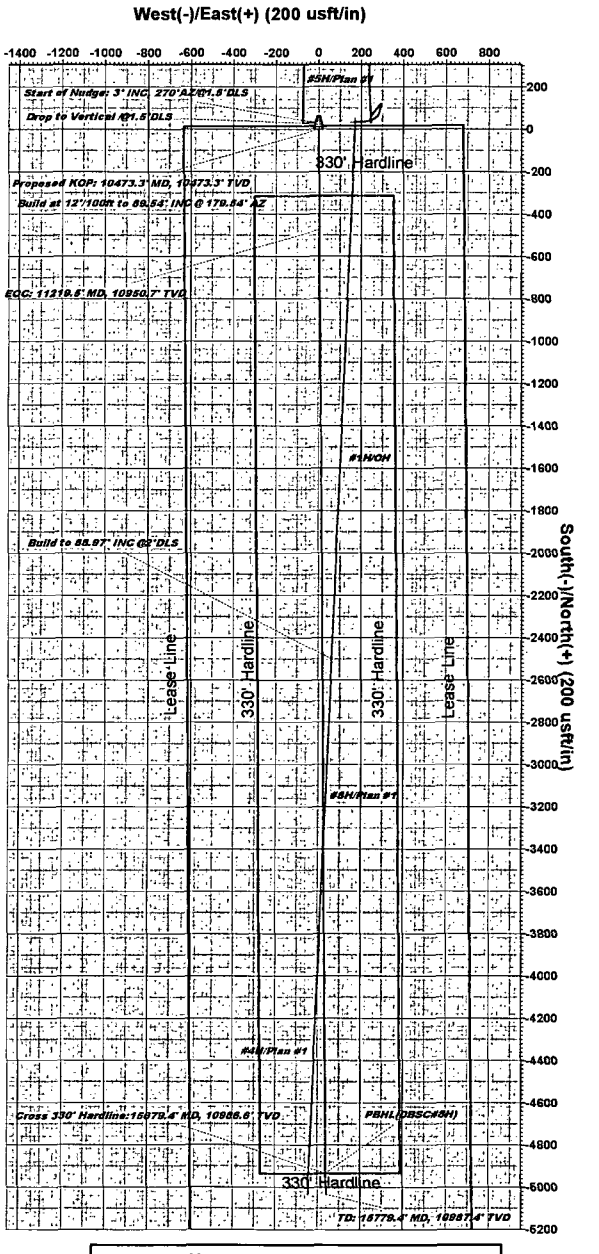
DESIGN TARGET DETAILS

Name	+N/-S	+E/-W	Northing	Easting
Cranberry #1H	30.6	169.5	541488.80	787085.20
Cranberry #5H	28.9	-0.3	541486.10	786915.40
Date #4H	0.7	169.7	541458.90	787085.40
PBHL(DBSC#8H)	-4933.3	39.6	536524.90	786955.50



West(-)/East(+) (50 usft/in)

West(-)/East(+) (200 usft/in)



PROJECT DETAILS: Lea County, NM (NAD-83)
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level
Local North: Grid

CRESCENT DIRECTIONAL DRILLING
Crescent Directional Drilling
7715 West Industrial Ave. Midland, Tx 79706
Phone: 432-618-1135

Plan: Plan #1 (#8H/OH)
Created By: Adrian Castro Date: 13:33, September 02 2014

Yates Petroleum

Lea County, NM (NAD-83)
Date BTB State Com
#8H

OH

Plan: Plan #1

Standard Planning Report

02 September, 2014

Database:	Houston R5000 Database	**Local Co-ordinate Reference:**	Well #8H
Company:	Yates Petroleum	**TVD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Project:	Lea County, NM (NAD-83)	**MD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Site:	Date BTB State Com	**North Reference:**	Grid
Well:	#8H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Project Lea County, NM (NAD-83)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Date BTB State Com

Site Position:		**Northing:**	541,458.90 usft	**Latitude:**	32° 29' 9.632 N
From:	Map	**Easting:**	787,085.40 usft	**Longitude:**	103° 32' 10.845 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.43 °

Well #8H

Well Position	**+N/-S**	-0.7 usft	**Northing:**	541,458.20 usft	**Latitude:**	32° 29' 9.638 N
	+E/-W	-169.7 usft	**Easting:**	786,915.70 usft	**Longitude:**	103° 32' 12.826 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**	0.0 usft	**Ground Level:**	3,791.0 usft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	7/10/2014	7.21	60.36	48,468

Design Plan #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	179.54

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
10,473.3	0.00	0.00	10,473.3	0.0	0.0	0.00	0.00	0.00	0.00	
11,219.5	89.54	179.54	10,950.7	-473.6	3.8	12.00	12.00	0.00	179.54	
15,679.4	89.54	179.54	10,986.6	-4,933.3	39.6	0.00	0.00	0.00	0.00	PBHL(DBSC#8H)
15,779.4	89.54	179.54	10,987.4	-5,033.3	40.4	0.00	0.00	0.00	0.00	

Database:	Houston R5000 Database	**Local Co-ordinate Reference:**	Well #8H
Company:	Yates Petroleum	**TVD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Project:	Lea County, NM (NAD-83)	**MD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Site:	Date BTB State Com	**North Reference:**	Grid
Well:	#8H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
1,836.0	0.00	0.00	1,836.0	0.0	0.0	0.0	0.00	0.00	0.00
Rustler									
1,971.0	0.00	0.00	1,971.0	0.0	0.0	0.0	0.00	0.00	0.00
Top Salt									
3,421.0	0.00	0.00	3,421.0	0.0	0.0	0.0	0.00	0.00	0.00
Base Salt - Top Tansill									
3,651.0	0.00	0.00	3,651.0	0.0	0.0	0.0	0.00	0.00	0.00
Yates									
3,936.0	0.00	0.00	3,936.0	0.0	0.0	0.0	0.00	0.00	0.00
Capitan									
6,061.0	0.00	0.00	6,061.0	0.0	0.0	0.0	0.00	0.00	0.00
Cherry Canyon									
7,101.0	0.00	0.00	7,101.0	0.0	0.0	0.0	0.00	0.00	0.00
Brushy Canyon									
8,771.0	0.00	0.00	8,771.0	0.0	0.0	0.0	0.00	0.00	0.00
Bone Springs LM									
8,991.0	0.00	0.00	8,991.0	0.0	0.0	0.0	0.00	0.00	0.00
Avalon Sand									
9,311.0	0.00	0.00	9,311.0	0.0	0.0	0.0	0.00	0.00	0.00
Middle Avalon									
9,541.0	0.00	0.00	9,541.0	0.0	0.0	0.0	0.00	0.00	0.00
Lower Avalon									
9,951.0	0.00	0.00	9,951.0	0.0	0.0	0.0	0.00	0.00	0.00
1st Bone Springs Sand									
10,473.3	0.00	0.00	10,473.3	0.0	0.0	0.0	0.00	0.00	0.00
Build at 12°/100ft to 89.54° INC @ 179.54° AZ - Proposed KOP: 10473.3' MD, 10473.3' TVD									
10,628.7	18.65	179.54	10,626.0	-25.1	0.2	25.1	12.00	12.00	0.00
2nd Bone Springs Sand									
11,219.5	89.54	179.54	10,950.7	-473.6	3.8	473.7	12.00	12.00	0.00
EOC: 11219.5' MD, 10950.7' TVD, 89.54° INC, 179.54° AZ, 473.7' VS									
13,119.0	89.54	179.54	10,966.0	-2,373.1	19.1	2,373.1	0.00	0.00	0.00
2nd Bone SS Target									
15,679.4	89.54	179.54	10,986.6	-4,933.3	39.6	4,933.4	0.00	0.00	0.00
Cross 330' Hardline:15679.4' MD, 10986.6' TVD, 89.54° INC									
15,779.4	89.54	179.54	10,987.4	-5,033.3	40.4	5,033.4	0.00	0.00	0.00
TD: 15779.4' MD, 10987.4' TVD									

Database:	Houston R5000 Database	**Local Co-ordinate Reference:**	Well #8H
Company:	Yates Petroleum	**TVD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Project:	Lea County, NM (NAD-83)	**MD Reference:**	RKB @ 3812.5usft (Nomac 22 - KB=21.5')
Site:	Date BTB State Com	**North Reference:**	Grid
Well:	#8H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
Cranberry #1H	0.00	0.00	1.0	30.6	169.5	541,488.80	787,085.20	32° 29' 9.928 N	103° 32' 10.845 W
- plan misses target center by 172.2usft at 1.0usft MD (1.0 TVD, 0.0 N, 0.0 E)									
- Point									
Cranberry #5H	0.00	0.00	4.0	29.9	-0.3	541,488.10	786,915.40	32° 29' 9.934 N	103° 32' 12.827 W
- plan misses target center by 29.9usft at 4.0usft MD (4.0 TVD, 0.0 N, 0.0 E)									
- Point									
Date #4H	0.00	0.00	4.0	0.7	169.7	541,458.90	787,085.40	32° 29' 9.632 N	103° 32' 10.845 W
- plan misses target center by 169.7usft at 4.0usft MD (4.0 TVD, 0.0 N, 0.0 E)									
- Point									
PBHL(DBSC#8H)	0.00	0.00	10,986.0	-4,933.3	39.8	536,524.90	786,955.50	32° 28' 20.821 N	103° 32' 12.792 W
- plan misses target center by 0.6usft at 15679.4usft MD (10986.6 TVD, -4933.3 N, 39.6 E)									
- Point									

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,836.0	1,836.0	Rustler			
1,971.0	1,971.0	Top Salt			
3,421.0	3,421.0	Base Salt - Top Tansill			
3,651.0	3,651.0	Yates			
3,936.0	3,936.0	Capitan			
6,061.0	6,061.0	Cherry Canyon			
7,101.0	7,101.0	Brushy Canyon			
8,771.0	8,771.0	Bone Springs LM			
8,991.0	8,991.0	Avalon Sand			
9,311.0	9,311.0	Middle Avalon			
9,541.0	9,541.0	Lower Avalon			
9,951.0	9,951.0	1st Bone Springs Sand			
10,628.7	10,626.0	2nd Bone Springs Sand			
13,119.0	10,966.0	2nd Bone SS Target			

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
10,473.3	10,473.3	0.0	0.0	Build at 12°/100ft to 89.54° INC @ 179.54° AZ
10,473.3	10,473.3	0.0	0.0	Proposed KOP: 10473.3' MD, 10473.3' TVD
11,219.5	10,950.7	-473.6	3.8	EOC: 11219.5' MD, 10950.7' TVD, 89.54° INC, 179.54° AZ, 473.7' VS
15,679.4	10,986.6	-4,933.3	39.6	Cross 330' Hardline:15679.4' MD, 10986.6' TVD, 89.54° INC
15,779.4	10,987.4	-5,033.3	40.4	TD: 15779.4' MD, 10987.4' TVD

Casing Design Well: Date BTB State Com #8H

String size & function: 9 5/8 in SURFACE INTERMEDIATE X

Total Depth: 5,600 ft

1st segment	5,600 ft to 4,200 ft			Make up Torque ft-lbs			Total ft = 1,400
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	HCK-55	LT&C	6,940	5,210	8,680	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
4,230 psi	3,950 psi	694,000 #		630,000 #		8.75 SD	

2nd segment	4,200 ft to 3,200 ft			Make up Torque ft-lbs			Total ft = 1,000
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	J-55	ST&C	4,520	3,390	5,650	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	452,000 #		630,000 #		8.75 SD	

3rd segment	3,200 ft to 80 ft			Make up Torque ft-lbs			Total ft = 3,120
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	36 #/ft	J-55	LT&C	4,530	3,400	5,660	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,020 psi	3,520 psi	394,000 #		564,000 #		8.765	

4th segment	80 ft to 0 ft			Make up Torque ft-lbs			Total ft = 80
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	J-55	ST&C	4,520	3,390	5,650	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	452,000 #		630,000 #		8.75 SD	