

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

Form C-103
 Revised July 18, 2013

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

WELL API NO. 30-025-37561
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-6276
7. Lease Name or Unit Agreement Name Yarrow BHY State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Brinninstool; Delaware
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,672' GR

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 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 A : 990 feet from the North line and 990 feet from the East line
 Section 32 Township 23S Range 33E NMPM Lea County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,672' 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"/>		OTHER: <input type="checkbox"/>	
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Plugback and perforate additional Delaware <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.

Yates Petroleum Corporation plans to plugback and perforate additional Delaware as follows:

1. NU BOP. Rig up all, safety equipment as necessary.
2. Set a CIBP at 7,248' and cap it with 35' of cement.
3. Perforate 4 squeeze holes at both +/- 5,400' and pump +/- 150 sacks Class "C" cement. Shut in and WOC.
4. Tag cement. If we don't tag anything down to 5,300', POOH. If we tag before that, drill out cement. Need about 75' - 100' rat hole below bottom perf (which will be 5,190') for the pump.
5. Run a CBL log, with 1500 psi on it, to confirm we have cement across the perforation interval and about +/- 200' above and below.
6. Perforate Delaware 5,178' - 5,190' (13 holes).

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 January 22, 2015

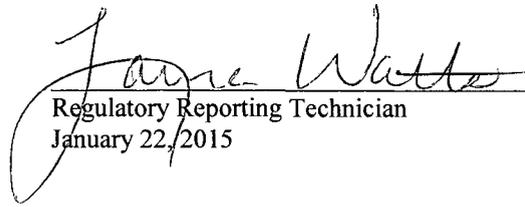
Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 01/28/15
 Conditions of Approval (if any):
JAN 29 2015

Form C-103 continued:

7. TIH with tubing and packer, spot, break and acidize 5,178' – 5,190' with 2000 gallons 7.5% NEFE acid. Over displace 5 bbls. Pump the acid at 3-4 bpm. Flush to bottom perf with 3% KCL water.
8. Swab test for fracable show and observe fluid entry.
9. If fracable show, and fluid entry is not too high, TIH with 3-1/2" frac string and frac through frac string.
10. Frac 5,178' – 5,190' (13 holes) through 3-1/2" frac string at 20-25 bpm (treating schedule attached).
11. Shut the well in overnight to allow the gel to break and formation to close.
12. Flow the well back if it will flow. Clean out sand to 5,000' or to top of retainer at +/- 5,100'.
13. TIH with production string as per Production Department's specification. Turn well over to production to run pump.

Schematics attached


Regulatory Reporting Technician
January 22, 2015

Treating Schedule

Stage Number	gal	Prop Conc lb/gal	lbs Proppant		Proppant Type
			Stage	Cumulative	
1	7500.	0.00	0.	0.	Gel Pad
2	14000.	1 - 6	49000.	49000.	20/40 RCS
4	+/-5,178.	0.0	0.	49000.	Flush

Estimated Surface Treating Pressure @ 25 BPM = +/-3,550 psi.

WELL NAME: Yarrow BHY St #1 FIELD: _____

LOCATION: 990' FNL & 990' FEL of Section 32-23S-33E Lea County _____

GL: 3672 ZERO: _____ KB: 3689.5

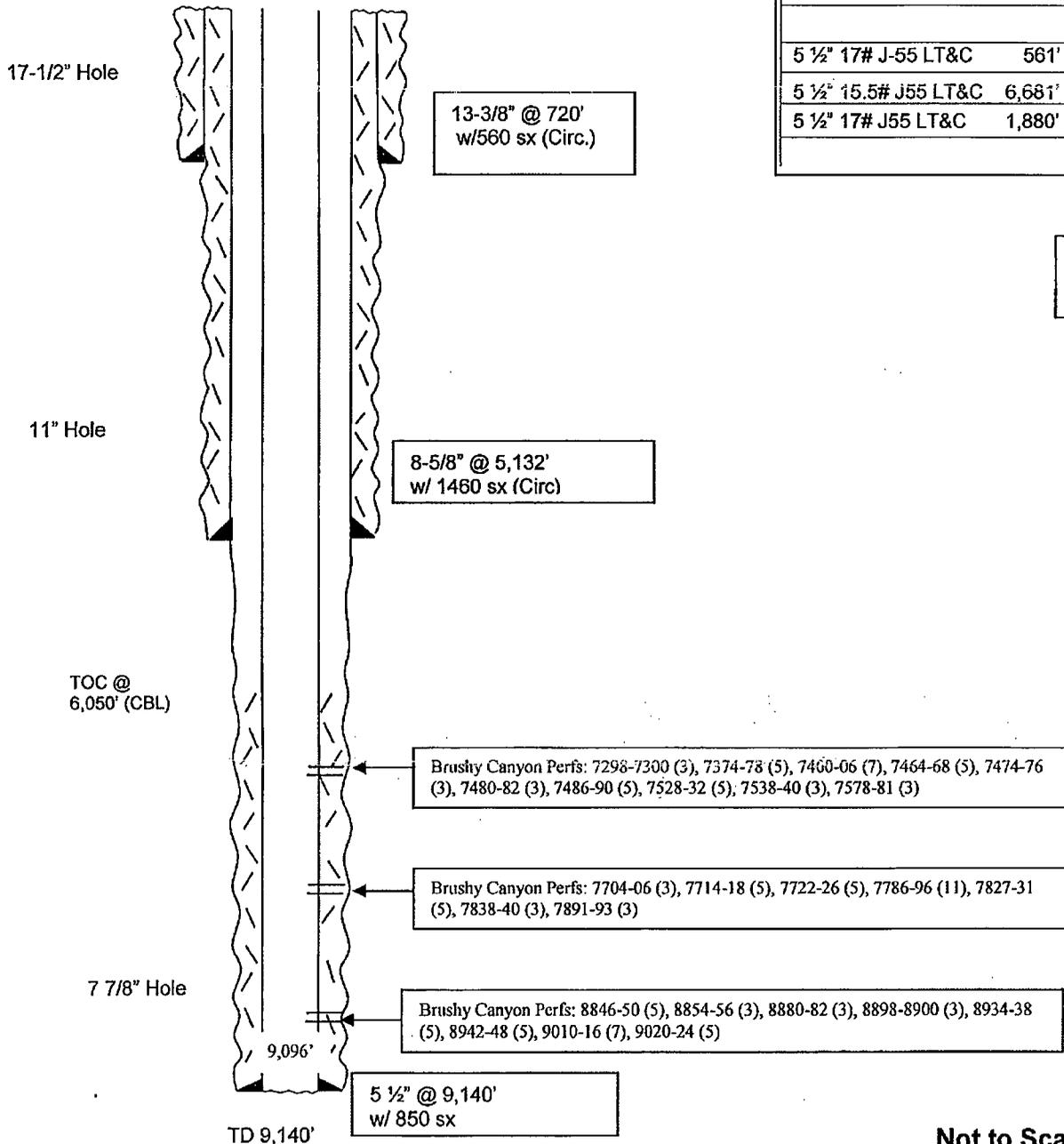
SPUD DATE: 02/26/06 COMPLETION DATE: _____

COMMENTS: API No. 30-025-37561

CASING PROGRAM

13-3/8" 48# H40 ST&C	720'
8-5/8" 32# J55 ST&C	5,150'
5 1/2" 17# J-55 LT&C	561'
5 1/2" 15.5# J55 LT&C	6,681'
5 1/2" 17# J55 LT&C	1,880'
	9,140'

Before



Not to Scale
03/20/06
MMFH

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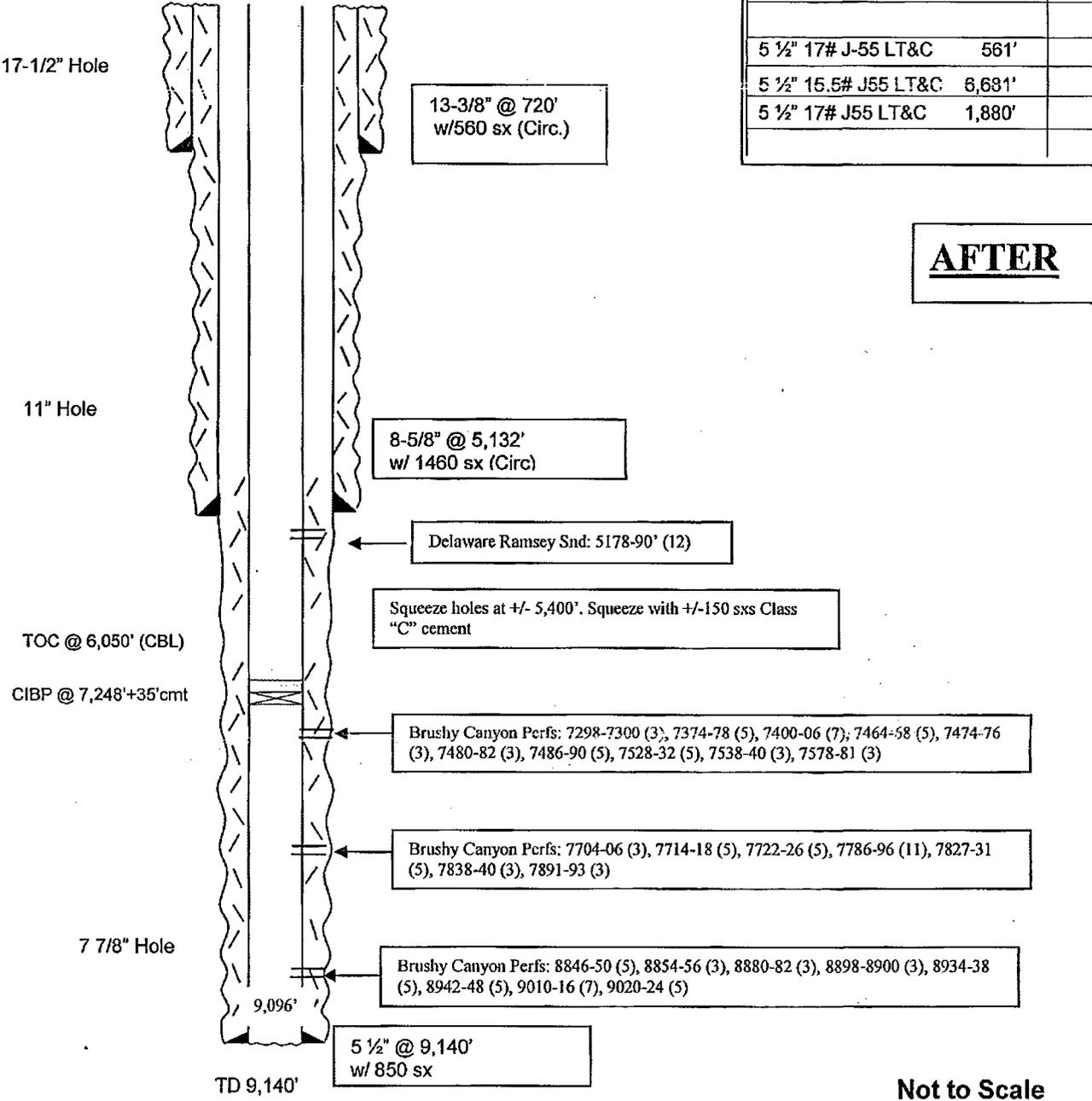
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MMFH