

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

WELL API NO. 30-025-35148
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. VA-1333
7. Lease Name or Unit Agreement Name Taco AUK State [X]
8. Well Number 2 [X]
9. OGRID Number 025575 [X]
10. Pool name or Wildcat X-4 Ranch; Atoka

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 P&A []

2. Name of Operator Yates Petroleum Corporation [X]

3. Address of Operator 105 South Fourth Street, Artesia, NM 88210

4. Well Location Unit Letter A : 660 feet from the North line and 660 feet from the East line
Section 10 Township 10S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4197'GR

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

NOTICE OF INTENTION TO

- PERFORM REMEDIAL WORK []
TEMPORARILY ABANDON []
PULL OR ALTER CASING []
DOWNHOLE COMMINGLE []
CLOSED-LOOP SYSTEM []
OTHER: []

INT TO PA []
P&A NR [X]
P&A R []

SUBSEQUENT REPORT OF:

- REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A [X]
CASING/CEMENT JOB []
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.

10/17/16 - RU and loaded annulus with 35 bbls. Tested casing.
10/18/16 - Pumped 40 bbls fresh water and loaded tubing. Annulus full. NU BOP.
10/19/16 - Tried to release packer and would not release, possible collapsed casing. Mark Whitaker with NMOCD-Hobbs said we could cut tubing above collapse, set a CIBP and cap with cement and plug out well. RIH with cutter, tagged at 7805'. Cut tubing at 7785'. RIH with GR down to 7092'.
10/20/16 - RIH to top of fish. Set a 5-1/2" CIBP at 7740'. OK'd depth with Maxey Brown with NMOCD-Hobbs. Loaded hole with mud. Tested casing to 1000 psi for 10 min. Spotted 25 sx Class "C" cement. Calc TOC 7437'. Perforated 4 holes at 5464'.
10/21/16 - RIH with packer to 5100', set. Pressure perfs 5464' to 1000 psi, could not establish injection rate. OCD ok'd. Spotted 25 sx Class "C" cement at 5514'. Calc TOC 5261'. WOC.
10/24/16 - Tagged plug at 5230'. Perforated 4 holes at 4191'. Pressured up, no rate. Spotted 25 sx Class "C" cement at 4230'. WOC. Tagged at 3960'. Perforated 4 holes at 450'. Pumped, circulated fluid from 8-5/8" x 5-1/2", after 30 bbl. ND BOP. Pumped 140 sx Class "C" cement. Circulated to surface. Topped out casing.
10/27/16 - Dug out cellar and cut off wellhead. Installed dry hole marker and filled cellar. WELL IS PLUGGED AND ABANDONED.

Spud Date:

[Empty box for Spud Date]

Rig Release I

Approved for Plugging of wellbore only. Liability under bond is retained pending restoration and completion of the C-103, Specific for Subsequent Report of Well Plugging, which may be found on the OCD web page under forms.

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE November 1, 2016

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: Mark Whitaker TITLE P.E.S. DATE 11/3/2016

Conditions of Approval (if any):