

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
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
May 27, 2004

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-OPEN OR TO ABANDON A WELL IN A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL OR TO RE-OPEN OR TO ABANDON SUCH PROPOSALS.")		WELL API NO. 30-005-21037 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other WIW <input type="checkbox"/> SEP 10 2008		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
2. Name of Operator Yates Drilling Company ✓		6. State Oil & Gas Lease No.
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Cactus Queen Unit ✓
4. Well Location Unit Letter <u>K</u> : <u>1650</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>West</u> line Section <u>27</u> Township <u>12S</u> Range <u>31E</u> NMPM Chaves County ✓		8. Well Number #1 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 025513 ✓
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat SE Chaves Queen Gas Area Assoc ✓
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____		
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON X
CASING/CEMENT JOB ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached.

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.enr.state.nm.us/oed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Karen Leishman TITLE Operations Tech DATE 9/08/2008

Type or print name Karen Leishman E-mail address: karenl@ypcnm.com Telephone No. 505-748-8663

For State Use Only

APPROVED BY: [Signature] TITLE OCD FIELD REPRESENTATIVE II/STAFF ANALYST DATE SEP 15 2008

Conditions of Approval (if any):

Cactus Queen Unit #1
Unit K, Section 27-12S-31E
Chaves County, NM
30-005-21037
Sundry attachment
September 8, 2008

8/21/2008	Tagged cement retainer at 429'. Started drilling cement.
8/22/2008	Drilled cement and circulated hole clean.
8/25/2008	Drilled cement to 626', recovering hard cement. Circulated hole clean.
8/26/2008	Drilled cement to 690' and started recovering redbed formation. Recovered large amount of formation, making no hole.
8/27/2008	Tagged fill at 680'. Pumped 50 sxs of lime to pickle redbed. Drilled to 727' and started to get stuck due to excessive fill. Maxey Brown, NMOCD, to witness operation. Plugging procedures will be discussed.
8/28/2008	Tagged fill at 680'. Drilled to 729' and recovered large amounts of redbed formation. Maxey Brown, NMOCD, gave permission to plug with instructions. Set retainer at 585', pumped 92 bbls cement and squeezed off hole with 1300 psi. Pumped 9.5 bbls cement to surface. POH with tbg and top off casing and cement.

Erected Dry hole marker.

Cost for work \$157,400