

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

RECEIVED
SEP 26 2008
HOBBS, NM

Energy, Minerals and Natural Resources

WILDLIFE CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-20981

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Patsy State Unit

8. Well Number

8

9. OGRID Number

025575

10. Pool name or Wildcat

Caprock; Atoka, West

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 H : 1980 feet from the North line and 660 feet from the East line

Section 14 Township 12S Range 31E NMPM Chaves County

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

4434'GR

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Re-entry procedures ☒

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.

7/23/08 – Began re-entry procedures. Started drilling through plugs.

7/28/08 – Ran bit down to 3145'. Tagged CIBP. Circulated hole and POOH. Set 9-5/8" retainer at 2953'.

7/29/08 – Squeezed Queen perfs 3012'-3022' with 100 sx Class "C" with 2% CaCl2 and 50 sx of Neat. Pressure went from 1000 psi down to 0 psi with 12 bbls cement in perfs. Perfs finally squeezed off to 1500 psi with 141 sx in formation. Tagged cement at 2938'. Drilled out cement and 2' of retainer. Circulated clean.

8/3/08 – Drilled up rest of retainer and drill out cement down to 2990'. Circulated hole clean.

8/4/08 – Tested squeeze perfs to 500 psi for 15 min, held OK. Continued drilling through plugs.

8/12/08 – Cleaned out down to 3557'. Tagged top of 5-1/2" stub.

8/17/08 – Rotate slip joint over casing stub. Went down over stub 7' and stacked out. Cement 5-1/2" casing with 400 sx 65/35 "C" Poz and 200 sx Class "C" with 1% CaCl2.

8/18/08 – Tested tie back to 800 psi, held good. Continued drilling through plugs.

CONTINUED ON NEXT PAGE:

Spud Date:

Re-entry 7/23/08

Rig Release Date:

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE September 25, 2008

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

For State Use Only


APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 03 2008

Conditions of Approval (if any):

Yates Petroleum Corporation
Patsy State Unit #8
Section 14-T12S-R31E
Chaves County, New Mexico

Form C-103 continued:

8/24/08 – Tested casing to 1000 psi, held good. Continued drilling through plugs.
9/5/08 – Pushed last CIBP down to 11,000'. Circulated clean.
9/7/08 – Set AS-1 packer with 2.25" on/off tool and 2-7/8" tubing at 10,650'.


Regulatory Compliance Supervisor
September 25, 2008