

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 87601
District IV
1220 S St. Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

RECEIVED
SEP 13 2010
HOBSOCD

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

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.)		WELL API NO. 30-025-39660
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-0777 VB-0787
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Presidente BPD State Com.
4. Well Location Unit Letter D : 330 feet from the North line and 660 feet from the West line Section 32 Township 25S Range 32E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3335'		9. OGRID Number 025575
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		
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 ☐
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.

Bottom hole location for this well is Section 32, T25S-R32E, Unit M. 330' FSL and 660' FWL.

Yates Petroleum Corporation respectfully requests permission to change the intermediate setting depth from 4,300' to a new setting depth of 4,450' and alter the production hole size as listed below.

It is also requested that a contingency casing plan be added.

Kick off with an 8 3/4" hole at 12*/100' to 9,800' MD (9,470' TVD). Decision will then be made whether to set 7" or not. If 7" casing is not set, then hole size will be reduced to 8 1/2" and drilled to 13,885' MD (9,470' TVD) where 5 1/2" casing will be set and cemented. If 7" is set, then see attached contingency plan.

Thank-you,

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 Jeremiah Mullen TITLE Well Planning Technician DATE 9/9/10

Type or print name Jeremiah Mullen E-mail address: jmullen@yatespetroleum.com Telephone No. 575-748-4378

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 13 2010

Conditions of Approval (if any):

85

Intermediate

0 ft to 100 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	J-55	LT&C		5,200	3,900	6,500
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	520 ,000 #		630 ,000 #		8.75-SD	

100 ft to 3,300 ft				Make up Torque ft-lbs			Total ft =
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	453 ,000 #		564 ,000 #		8.765	

3,300 ft to 4,200 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	J-55	LT&C		5,200	3,900	6,500
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	520 ,000 #		630 ,000 #		8.75-SD	

4,200 ft to 4,450 ft				Make up Torque ft-lbs			Total ft =
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	604 ,000 #		630 ,000 #		8.75-SD	

Cement: lead w/1250sx C Lite (YLD 2.0 WT 12.5) tail w/210sx Class C (YLD 1.34 WT 14.8) TOC: surface

Presidente BPD State Com. #1H

Contingency Casing Design

If hole conditions dictate, 7" casing will be set at 9,800' MD (9,470' TVD). A 6 1/8" hole will then be drilled to 13,885' MD (9,470' TVD) where 4 1/2" casing will be set and cemented with one stage up to dv tool. After completion procedures, the 4 1/2" casing will be cut and pulled at 8900'.

2nd Intermediate

Drilled with 8 3/4" hole.

0 ft to 800 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	26 #/ft	L-80	LT&C	5110	3830	6390	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
5,410 psi	7,240 psi	511 ,000 #		604 ,000 #		6.151	

800 ft to 7,900 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	26 #/ft	J-55	LT&C	3670	2750	4590	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
4,320 psi	4,980 psi	367 ,000 #		415 ,000 #		6.151	

7,900 ft to 9,800 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
7 inches	26 #/ft	L-80	LT&C	5110	3830	6390	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
5,410 psi	7,240 psi	511 ,000 #		604 ,000 #		6.151	

DV tools placed at approx. 6200' & 8,500'.

Stage I: Cemented w/275sx PVL (YLD 1.41 Wt 13) TOC= 8500'

Stage II: Cemented w/1300sx PVL (YLD 1.41 Wt 13) TOC= 6200'

Stage III: Lead w/400sx Lite Crete (YLD 2.66 WT 9.9), tail w/100sx Pecos Valley Lite (YLD 1.41 WT 13) TOC=3900'

Production

Drilled with 6 1/8" hole.

0 ft to 13,885 ft				Make up Torque ft-lbs			Total ft =
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
4.5 inches	11.6 #/ft	HCP-110	LT&C	3020	2270	3780	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
8,650 psi	10,690 psi	279 ,000 #		367 ,000 #		3.875	

DV tool placed at approx. 8900' and cemented with one stage up to dv tool. After completion procedures, the 4 1/2" casing will be cut and pulled at 8900'.

Cemented w/525sx PVL (YLD 1.83 Wt 13) TOC= 8900'