

Submit 1 Copy 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

Form C-103
October 13, 2009

RECEIVED
SEP 16 2010
HOBBSOCD

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

WELL API NO. 30-025-36006
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0134
7. Lease Name or Unit Agreement Name Kiwi SWD
8. Well Number 10
9. OGRID Number 025575
10. Pool name or Wildcat SWD; Delaware

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input checked="" type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>K</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>16</u> Township <u>22S</u> Range <u>32E</u> NMPM Lea County <input checked="" type="checkbox"/>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3719'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: Convert to SWD ☒

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.

5/2/10 - MIRU. NU BOP.

5/3/10 - RIH with gauge ring and junk basket to 8250'. Set a 5-1/2" 10K Alpha CIBP at 8208' with 35' cement on top. Tested to 1500 psi. Leaked off in 7 min. Set packer at 5552'. Tested down tubing to 1500 psi, good. Pulled packer up to 5353'. Tested down tubing, good. Casing did not test. Pulled packer up to 5287'. Tested down tubing, no good. Casing tested good. Hole is between 5287'-5320'. Released packer.

5/4/10 - Set a cement retainer at 5216'. Spotted 12 bbls Class "C" cement (50 sx) down to retainer. Got a total of 7 bbls behind pipe. Stung out of retainer, reversed 50 bbls got back 3 bbls cement.

5/5/10 - Tagged up at 5208'. Washed down to CICR at 5215'.

5/6/10 - Drilled thru CICR. Began drilling cement, cement was not hard. Fell out of cement at 5305'. Circulated well clean. Tested casing to 1000 psi for 30 min.

5/9/10 - RIH with gauge ring and junk basket to 6700'. Set a 5-1/2" 10K Alpha CIBP at 6650' with 35' cement on top. Perforated Delaware 6190'-6450' (85). Pumped 2500g 7-1/2% HCL acid. Dropped 100 ball sealers. Pumped 1st stage using 25# delayed borate x-linked gel. Avg press 3200 psi, ISDP 910 psi, 15 min 800 psi, total load 1515 bbls, total prop 205,946#.

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE September 13, 2010

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

APPROVED BY: [Signature] TITLE STAFF MGR DATE 9-16-10
Conditions of Approval (if any):

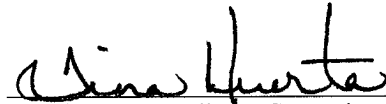
Yates Petroleum Corporation
Kiwi SWD #10
Section 16-T22S-R32E
Lea County, New Mexico
Page 2

Form C-103 continued:

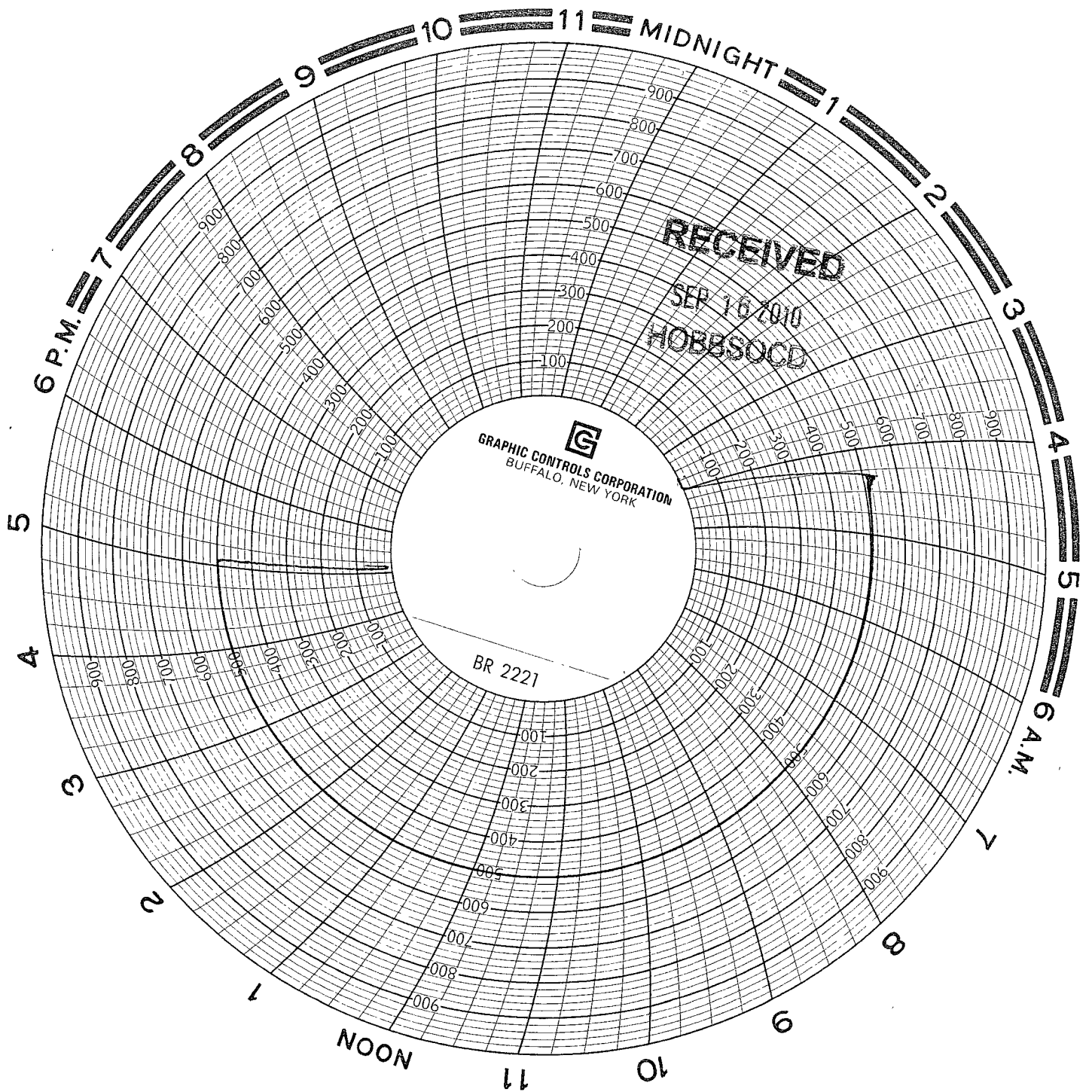
5/14/10 – RIH with gauge ring and junk basket to 6180'. Set a 5-1/2" flow thru composite plug at 6170'. Tested plug to 1500 psi. Perforate Delaware 5858'-6130' (45). Pumped 2nd stage using 25# delayed borate x-linked gel. Pumped 2500g 7-1/2% HCL acid. Avg press 2900 psi, ISDP 1025 psi, 15 min 831 psi, total load 1550 bbls, total prop 197,914#.

5/17/10 – Washed down to composite plug at 6170'. Drilled out composite plug. Tagged sand again at 6195'. Washed sand down to PBTD. Circulated hole clean.

5/18/10 – Pumped 100 bbls packer fluid down casing. 5-1/2" AS1-X nickel coated packer and 2-7/8" 6.4# J-55 plastic coated tubing at 5820'. Received verbal approval from Sylvia Dickey w/Hobbs NMOCD to run MIT. Pressured casing to 500 psi, held good for 30 min. No NMOCD witness present. Original MIT attached. (Administrative Order SWD-1199)



Regulatory Compliance Supervisor
September 13, 2010



Riverside Trans
Rafael Mungu Jr.
5-19-10
Yate Petroleum
Kiwi AXX Sta #10