

Office

Energy, Minerals and Natural Resources

October 13, 2009

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 88410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

DEC 02 2010

HOBBSOCD

WELL API NO.

30-025-36004

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

V-2443

7. Lease Name or Unit Agreement Name

Lotus SWD

8. Well Number

1

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 ☐ Gas Well ☐ Other SWD ☒

2. Name of Operator

Yates Petroleum Corporation

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 lineSection 32 Township 22S Range 32E NMPM Lea County

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

3556'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 ☐OTHER: ☐

## SUBSEQUENT REPORT OF:

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

Yates Petroleum Corporation plans to perform remedial work as follows: MIRU WSU and NU BOP. Rig up all safety equipment as necessary. Perforate 4 squeeze holes at 5380'. Set a cement retainer at 5330' and establish a pump in rate. Pump +/-20 sx Class "C" cement and pressure up to squeeze, sting out of retainer and reverse out. Perforate 4 squeeze holes at 5210' and 4910'. Set a packer at +/-5190' and establish circulation. Set a cement retainer at 5160'. Pump +/-60 sx Class "C" cement and displace, sting out and POOH to above upper squeeze holes about 4900' and reverse out and pressure up. Perforate 4 squeeze holes at 4870' and 4440'. Set a packer at 4460' and establish circulation. Set a cement retainer at 4820'. Pump +/-85 sx Class "C" cement and displace, sting out and POOH to above upper squeeze holes about 4420' and reverse out and pressure up. WOC 48 hrs. Drill out cement and retainers and pressure test to 500 psi. Circulate sand off the RBP and POOH. TIH with injection packer and plastic coated tubing and set packer at 6644'.

Wellbore Schematics Attached

Condition of Approval: Notify OCD Hobbs  
office 24 hours prior of running MIT Test & Chart

Per Underground Injection Control Program Manual  
11.6.C Packer shall be set within or less than 100  
feet of the uppermost injection perfs or open hole.

Base 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 December 2, 2010Type 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 12-8-10

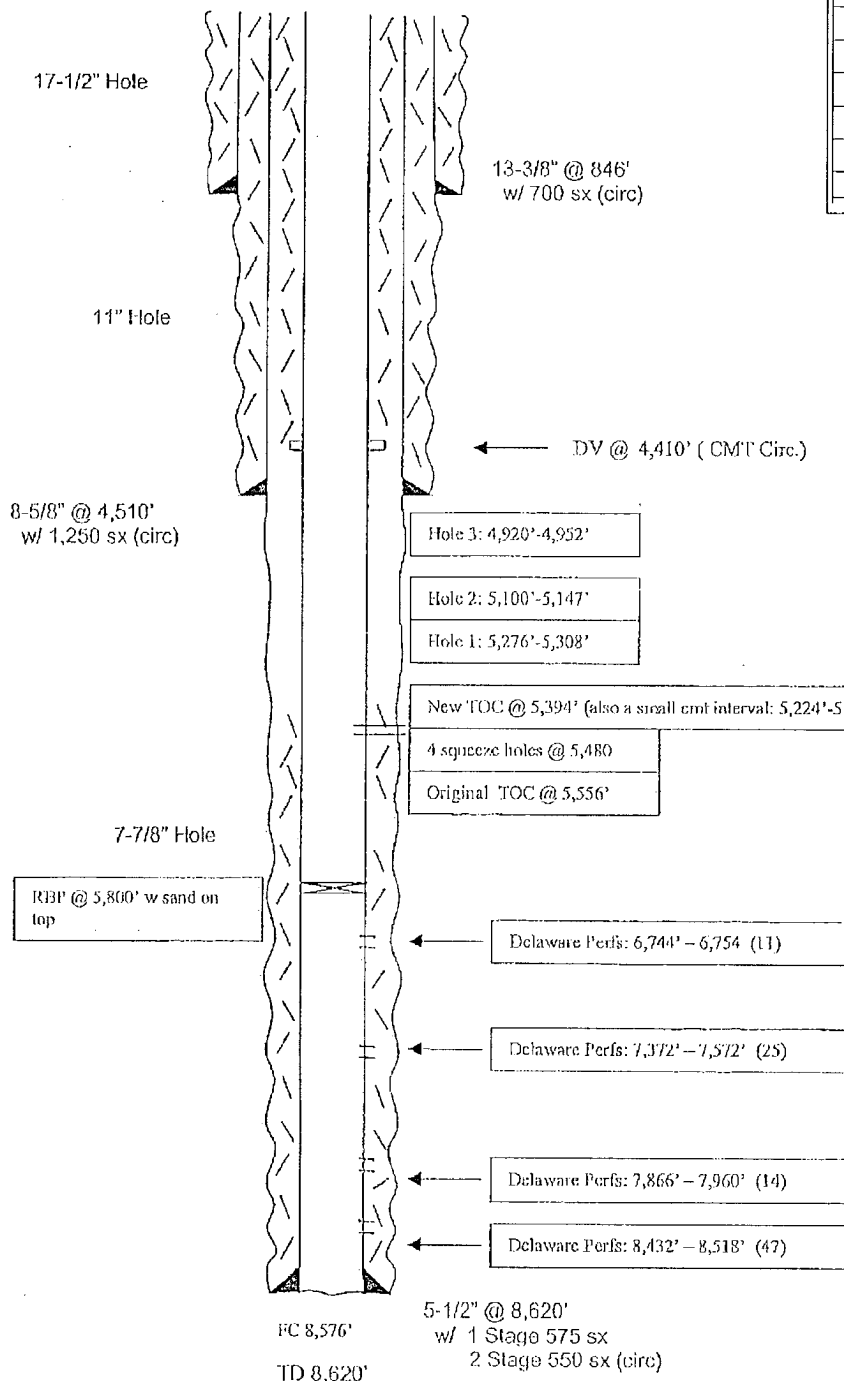
Conditions of Approval (if any):

WELL NAME: Lotus SWD# 1 FIELD: Wildcat Delaware  
 LOCATION: 660' FNL & 660' FEL Sec 32-22S-32E Lea County NM  
 GL: 3,556' ZERO: KB: 3,568'  
 SPUD DATE: 1-24-03 COMPLETION DATE: 2-18-03  
 COMMENTS: API # 30-025-36004

# CASING PROGRAM

13-3/8" 48# H40 ST&C	868'
8-5/8" 32# J55 ST&C	4,510'
Surface	
5-1/2" 17# J55 LT&C 172.51'	
5-1/2" 15.5# J55 LT&C 5,795.38'	
5-1/2" 17# J55 LT&C 21.32'	
5-1/2" 15.5# J55 LT&C 1,413.40'	
5-1/2" 17# J55 LT&C 1,216.57'	8,620'
Bottom	

Before



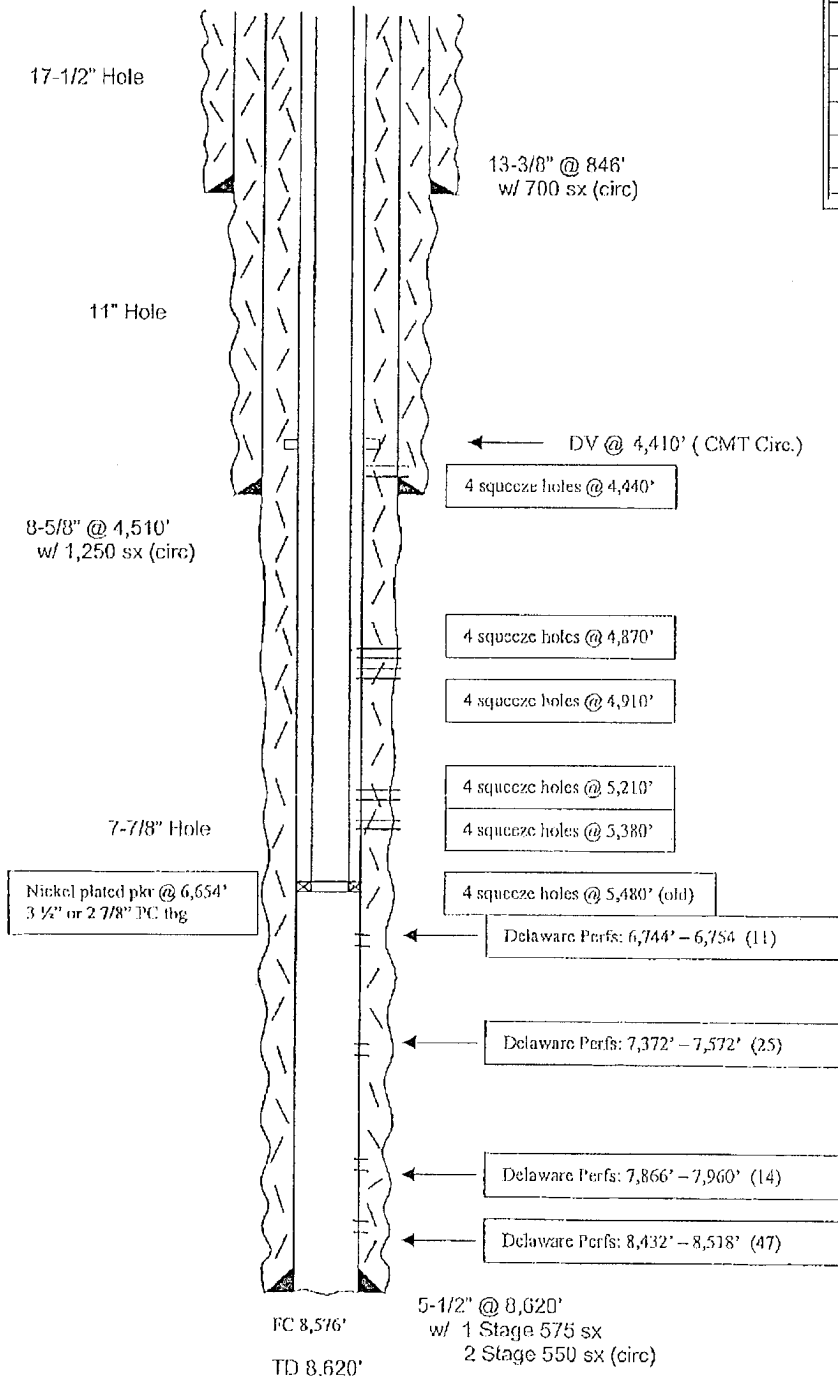
Not to Scale

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