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

RECEIVED
DEC 16 2010
NMOCD

Form C-103
May 27, 2004

WELL API NO. 30-025-39716

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No. VB-0651

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.)

7. Lease Name or Unit Agreement Name: Red Raider BKS State

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number: 2H

2. Name of Operator: Yates Petroleum Corporation

9. OGRID Number: 25575

3. Address of Operator: 105 S. 4th Street, Artesia, NM 88210

10. Pool name or Wildcat: Red Hills; Bone Springs N

4. Well Location
Unit Letter B : 330 feet from the North line and 2180 feet from the East line
Section 25 Township 24S Range 33E NMPM Lea County

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 3566'

Pit or Below-grade Tank Application ☐ or Closure ☐

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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☒	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDON	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	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 25, T24S-R33E, Unit O. 330' FSL and 2180' FEL.

Yates Petroleum Corporation respectfully requests permission to set the intermediate casing at a new depth of 5,200'
Attached is a casing design for the intermediate casing.
Cemented to surface w/1700sx.

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 Planner DATE 12/15/10

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

For State Use Only

APPROVED BY: _____ TITLE PETROLEUM ENGINEER DATE DEC 17 2010

Conditions of Approval (if any):

Red Raider BKS State #2H

Intermediate

0 ft to 100 ft				Make up Torque ft-lbs			Total ft = 100
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 3,200 ft				Make up Torque ft-lbs			Total ft = 3,100
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	36 #/ft	K-55	LT&C	4,890	3,670	6,110	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,020 psi	3,520 psi	489 ,000 #		564 ,000 #		8.765	

3,200 ft to 3,900 ft				Make up Torque ft-lbs			Total ft = 700
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	

3,900 ft to 5,200 ft				Make up Torque ft-lbs			Total ft = 1,300
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	N-80	LT&C	7,370	5,530	9,210	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
3,090 psi	5,750 psi	737 ,000 #		916 ,000 #		8.75-SD	