

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  
Minerals and Natural Resources

Form C-103

June 19, 2008

RECEIVED

JAN 04 2011 CONSERVATION DIVISION

HOBBSDO 1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-39660
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0777 & VB-0787
7. Lease Name or Unit Agreement Name Presidente BPD State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3335'GR

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  
Surface D : 330 feet from the North line and 660 feet from the West line  
BHL M : 330 feet from the South Line and 660 feet from the West line  
Section 32 Township 25S Range 32E NMPM Lea County

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: Production casing ☒

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.

11/24/10 - Reached TVD 8-3/4" hole to 9900'.

11/27/10 - Set 1<sup>st</sup> cement plug from 9300'-9603' with 140 sx Class "H" cement (wt 15.6). WOC.

11/28/10 - Tagged at 9054'. Set KOP plug from 8346'-8376' with 275 sx Class "H" cement (wt 17.2). Tagged cement at 8006'.

Dressed off cement to KOP at 8346'. Reduced hole to 8-1/2" at 9401' and continued to drill directionally.

12/13/10 - Reached TMD 8-1/2" hole to 13,132'.

12/15/10 - Set 5-1/2" 17# HCP-110 LT&C casing at 13,132'. DV tool at 8198'. Float collar at 13,086'. Cemented stage 1 with 830 sx 15:61:11 Class "C" + 30#/bbl CaCl<sub>2</sub> + 0.5% HaladD4-344 + 0.2% HR-601 + 18.5#/bbl Poz mix A + 7.4#/bbl Silicalite (yld 1.88, wt 13.8). Opened DV tool with 1015 psi. Circulated casing and WOC. Cemented stage 2 with 830 sx Super "H" SBM + 5.22#/sx Bentonite + 25.9# Poz A (yld 1.86, wt 13.7). Tailed in with 100 sx Class "H" Neat (yld 1.19, wt 15.6).

Spud Date:

9/30/10

Rig Release Date:

12/16/10

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 30, 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 PETROLEUM ENGINEER DATE JAN 05 2011  
Conditions of Approval (if any):