

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

Form C-103  
June 19, 2008

RECEIVED  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
FEB 16 2011  
HOBBSOCD

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. <input checked="" type="checkbox"/> 30-025-39716
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		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-0651
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Red Raider BKS State
4. Well Location Surface B : 330 feet from the North line and 2180 feet from the East line BHL O : 330 feet from the South line and 2180 feet from the East line Section 25 Township 24S Range 33E NMPM Lea County		8. Well Number 2H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3566' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Red Hills; Bone Spring, North

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: 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.

1/18/11 – Drilled to KOP at 9731' and continued to drill directionally.

1/31/11 – Reached TD 8-1/2" hole to 13,879'.

2/8/11 – Set 5-1/2" 17#, 20# HCP-110 L-80 LT&C casing at 13,879'. DV tools at 7002' and 8635'. Float collar at 13,784'. Cemented stage 1 with 900 sx 35:65:6 Poz "H" + 30#/sx Calcium Carbonate + 0.5% Halad344 + 0.35#/sx HR-601 (yld 1.87, wt 13.8). Cemented stage 2 with 320 sx 35:65:6 Poz "H" + 30#/sx Calcium Carbonate + 0.5% Halad344 + 0.35#/sx HR-601 (yld 1.87, wt 13.8). Circulated 10 sx to pit. Cemented stage 3 with 350 sx Class "C" (yld 1.77, wt 12.9). Tailed in with 100 sx Class "C" + 3#/sx Bentonite (yld 1.33, wt 14.8).

Spud Date:

4/1/10

Rig Release Date:

2/10/11

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

February 15, 2011

Type or print name

Tina Huerta

E-mail address:

tinah@yatespetroleum.com

PHONE:

575-748-4168

For State Use Only

APPROVED BY:

*Tina Huerta*

TITLE

PETROLEUM ENGINEER

DATE

FEB 17 2011

Conditions of Approval (if any):