

RECEIVED
RESERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
FEB 21 2011

HOBBSUCD

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.)		WELL API NO. 30-025-39660
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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-0777 & VB-0787
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Presidente BPD State Com
4. Well Location Surface D : 330 feet from the North line and 660 feet from the West line BHL M : 4944 feet from the North Line and 676 feet from the West line Section 32 Township 25S Range 32E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3335'GR		9. OGRID Number 025575
10. Pool name or Wildcat Jennings Wildcat; Bone Spring <9783>		

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: Completion Operations ☒

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.

12/26/10 – NU BOP.

12/27/10 – TIH with mill tooth bit and tubing and tagged at 8192'. Drilled DV tool at 8198'. Tested DV tool to 1000 psi, held good. TIH with bit to a depth of 8400'.

12/28/10 – Worked scraper across DV tool.

1/2/11 – Tagged PBTD at 13,056'. Tested casing to 3000 psi. Pickled and displaced casing and tubing with 500g Xylene and 1500g 15%. Spotted 2500g 7-1/2% HCL acid at 13,046'.

1/3/11 – Ran GR/CCL/CBL from 9111' up to surface with 1500 psi.

1/4/11 – Perforated Bone Spring 13,046', 12,903', 12,760' and 12,617' for a total of 48 holes.

1/5/11 – ND BOP.

1/31/11 – Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 8019 bbls fluid, 16,665# 100 mesh sand, 86,256# 40/70 white sand, 115,514# 20/40 white sand, 61,745# 20/40 RCS.

CONTINUED ON NEXT PAGE:

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.

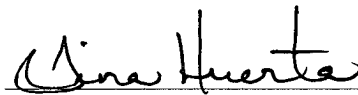
SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE February 18, 2011Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168**For State Use Only**APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAR 30 2011
Conditions of Approval (if any):

Form C-103 continued:

2/4/11 – Spotted 2500g 7-1/2% HCL acid at 12,504', 12,361', 12,218' and 12,075' for a total of 48 holes. Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 9173 bbls fluid, 17,404# 100 mesh, 85,932# 40/70 white sand, 112,122# 20/40 white sand, 51,782# 20/40 RCS. Spotted 2500g 7-1/2% HCL acid at 11,932'. Perforated Bone Spring 11,932', 11,789', 11,646' and 11,503' for a total of 48 holes. Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 8240 bbls fluid, 19,438# 100 mesh, 81,457# 40/70 white sand, 97,861# 20/40 white sand, 58,445# 20/40 RCS. Spotted 2500g 7-1/2% HCL acid at 11,360'. Perforated Bone Spring 11,360', 11,217', 11,074' and 10,931' for a total of 48 holes.

2/5/11 – Acidized with 2500g 7-1/2% HCL. Frac with slickwater, 25# linear gel, 30# borate XL, 8400 bbls fluid, 15,640# 100 mesh, 86,671# 40/70 white sand, 106,418# 20/40 white sand, 69,032# 20/40 RCS. Spotted 2500g 7-1/2% HCL acid at 10,788'. Perforated Bone Spring 10,788', 10,645', 10,502' and 10,359' for a total of 48 holes.

2/6/11 – Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 8245 bbls fluid, 15,000# 100 mesh, 85,893# 40/70 white sand, 120,458# 20/40 white sand, 57,693# 20/40 RCS. Spotted 2500g 7-1/2% HCL acid at 10,216'. Perforated Bone Spring 10,216', 10,073', 9930' and 9787' for a total of 48 holes. Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 7993 bbls fluid, 14,457# 100 mesh, 82,279# 40/70 white sand, 129,068# 20/40 white sand, 62,691# 20/40 RCS. Spotted 2500g 7-1/2% HCL acid at 9644'. Perforated Bone Spring 9644', 9501', 9358' and 9215' for a total of 48 holes. Acidized with 2500g 7-1/2% HCL acid. Frac with slickwater, 25# linear gel, 30# borate XL, 8364 bbls fluid, 16,516# 100 mesh, 90,767# 40/70 white sand, 146,754# 20/40 white sand, 72,663# 20/40 RCS. Flow through plugs at 9716', 10,288', 10,860', 11,432', 12,004' and 12,576'. 2-7/8" 6.5# L-80 tubing and AS-1 packer at 8130'.



Regulatory Compliance Supervisor
February 18, 2011