

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

October 13, 2009

HOBBS OOD

MAY 19 2011

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-005-29131

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-7395

7. Lease Name or Unit Agreement Name

Kruiser BLK State

8. Well Number

2

9. OGRID Number

025575

10. Pool name or Wildcat

Tulk; Wolfcamp, SW

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

Unit Letter J : 1980 feet from the South line and 2130 feet from the East lineSection 36 Township 15S Range 30E NMPM Chaves County

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

4166'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: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/22/11 – RIH and tagged at 7416'. Washed down to liner top at 7452', circulated heavy mud. RIH and tagged at 9386'.

3/23/11 – Cleaned out to float collar at 9711'.

3/24/11 – RIH to PBTD at 9711'. Pickled well with 1000g 15% HCL acid.

3/27/11 – Ran CCL/GR/CBL log from 9711' to liner top at 7452'. Perforated Wolfcamp 9628'-9640' (24), 9644'-9656' (24), 9663'-9673' (20) and 9677'-9690' (26). Tested casing to 1500 psi, good.

3/28/11 – Acidized with 9000g 15% NEFE HCL acid. Dropped 200 balls.

3/31/11 – Set a CIBP at 9600' with 35' cement on top. Perforated Wolfcamp 9488'-9497' (9) and 9506'-9546' (40).

4/3/11 – Acidized with 9000g 15% HCL acid. Dropped 100 balls.

5/2/11 – NU BOP. Set a CIBP at 9440' with 35' cement on top. Perforated Wolfcamp 9329'-9360' (62). ND BOP.

5/3/11 – Loaded and tested casing to 500 psi, good. Acidized with 10,000g 15% NEFE HCL. 2-7/8" 6.4# L-80 tubing at 9376'.

Spud Date:

4/30/10

Rig Release Date:

3/4/11

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 May 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 JUN 06 2011

Conditions of Approval (if any):