

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-015-40731
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-2041
7. Lease Name or Unit Agreement Name Anthill AAK State Com
8. Well Number 4H
9. OGRID Number 025575
10. Pool name or Wildcat Parkway; Bone Spring

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 P : 435 feet from the South line and 330 feet from the East line
 Unit Letter M : 435 feet from the South line and 330 feet from the West line
 Section 2 Township 20S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3296'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

SUBSEQUENT REPORT OF:

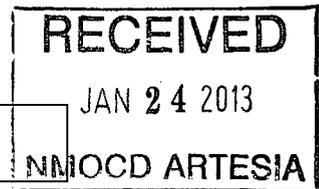
- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

OTHER: Surface 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1/12/13 - Resumed drilling at 8:30 AM. TD 17-1/2" hole to 418' at 10:00 AM.
 1/13/13 - Set 13-3/8" 48# J-55 ST&C casing at 418'. Cemented with 460 sx Class "C" + 0.125#/sx D130 + 0.2% D046 (yld 1.33, wt 14.8). WOC. TOC at 220'. RIH with 1" and tagged at 221'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 221'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 206'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 206'. Ran 1" with 50 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC.
 1/14/13 - Tagged at 173'. Ran 1" with 50 sx Class "C" + 2% CaCl2 (yld 1.33, wt 14.8). WOC. Tagged at 163'. Ran 1" with 50 sx Class "C" + 2% CaCl2 (yld 1.33, wt 14.8). WOC. Tagged at 64'. Ran 1" with 75 sx Class "C" 2% CaCl2 (yld 1.33, wt 14.8). Circulated 25 sx to surface.
 1/15/13 - Tested casing to 600 psi for 30 min, good. WOC 57 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE January 18, 2013

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE Dist. Rep. Supervisor DATE 1/24/13

Conditions of Approval (if any):

[Handwritten initials]