

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

RECEIVED

MAR 21 2013

MOCD ARTESIA

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

Revised August 1, 2011

WELL API NO. 30-015-40186
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3459
7. Lease Name or Unit Agreement Name Southland Royalty APM State
8. Well Number 5H
9. OGRID Number 025575
10. Pool name or Wildcat Turkey Track; 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 M : 200 feet from the South line and 500 feet from the West line
Unit Letter D : 330 feet from the North line and 660 feet from the West line
Section 24 Township 19S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3327' 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: 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/1/13 - Drilled to 7578' KOP and continued drilling directionally.
3/4/13 - Drilled to 8400' and reduced hole to 8-1/2" and continued drilling.
3/10/13 - Reached TD 8-1/2" hole to 12,582' at 6:30 PM.
3/12/13 - Set 5-1/2" 17# P-110 buttress casing at 12,579'. Stage tool at 3901'. Crossover at 7364'. DV tool at 7408'. Crossover at 7410'. Float collar at 12,531'. Cemented stage 1 with 920 sx TXI Liteweight + 0.2% D046 + 0.5% D112 + 1.5% D174 + 0.1% D208 + 0.8% D800 (yld 1.82, wt 13). Circulated 216 sx to half round. Cemented stage 2 with 490 sx 35:65:6 Poz "C" + 0.4% D013 + 6% D020 + 5% D044 + 0.2% D046 + 0.125#/sx D130 (yld 2.06, wt 12.6). Tailed in with 180 sx 50/50 Poz "C" + 0.1% D013 + 1% D020 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.125#/sx D130 + 0.02% D177 (yld 1.36, wt 14.2). Circulated 82 sx to half round. Cemented stage 3 with 410 sx 35:65:6 Poz "C" + 0.1% D013 + 6% D020 + 5% D044 + 0.2% D046 + 0.125#/sx D130 (yld 2.06, wt 12.6). Tailed in with 180 sx 50/50 Poz "C" + 1% D020 + 5% D044 + 0.2% D046 + 0.1% D065 (yld 1.40, wt 14.2). Est TOC at 167'.

Spud Date: 2/5/13

Rig Release Date: 3/13/13

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 March 20, 2013

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

For State Use Only

APPROVED BY: Dr. J. S. Pearson TITLE Dr. J. S. Pearson DATE 3/27/13

Conditions of Approval (if any):