

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

Form C-103
 Revised August 1, 2011

HOBBS OGD
NOV 08 2012

RECEIVED

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-025-40579																								
2. Name of Operator Yates Petroleum Corporation		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>																								
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		6. State Oil & Gas Lease No. VO-8083/VO-8091																								
4. Well Location Unit Letter <u>M</u> : <u>160</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Unit Letter <u>D</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>36</u> Township <u>20S</u> Range <u>35E</u> NMPM Lea County <input checked="" type="checkbox"/>		7. Lease Name or Unit Agreement Name Pomegranate BRP State Com																								
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3670'GR		8. Well Number 1H																								
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table border="0"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>P AND A <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td>DOWNHOLE COMMINGLE <input type="checkbox"/></td> <td></td> <td></td> <td></td> </tr> <tr> <td>OTHER: <input type="checkbox"/></td> <td></td> <td>OTHER: 5' new hole <input checked="" type="checkbox"/></td> <td></td> </tr> </table>		NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>		DOWNHOLE COMMINGLE <input type="checkbox"/>				OTHER: <input type="checkbox"/>		OTHER: 5' new hole <input checked="" type="checkbox"/>		9. OGRID Number 025575
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10. Pool name or Wildcat Wildcat; Bone Spring																										

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.

10/26/12 - Made 5' new hole at 10:15 AM. TD 20'. Hole size 12-1/4". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

Spud Date: 8/31/12 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 November 6, 2012

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. Mgr* DATE *11-13-2012*

Conditions of Approval (if any):

NOV 14 2012