

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 July 18, 2013

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

WELL API NO. 30-025-40472
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1646
7. Lease Name or Unit Agreement Name Avocado BRO State
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Berry; Bone Spring, North

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"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>D</u> : <u>150</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>32</u> Township <u>20S</u> Range <u>35E</u> NMPM <u>Lea</u> County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3696' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

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"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: intermediate casing <input checked="" type="checkbox"/>	

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.

8/26/13 - TD 12-1/4" hole to 5,862' at 1:30 am.  
8/27/13 - Set 9-5/8" 36#, 40# HCK-55 J-55 LT&C csg at 5,862'. Packer stage tool set at 4,063'. Cemented stage #1 w/ 330 sacks 35:65:6 Poz "C" + 2#/sx B288 + 2#/sx B289 + 0.47% D013 + 5% D020 + 29#/sx D035 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.125#/sx D130 + 61#/sx D903 (yld 2.13, wt 12.6). Tailed in w/ 180 sacks 50/50 Poz "C" + 42#/sx D035 + 5% D044 + 0.2% D046 + 0.05% D208 + 47#/sx D903 (yld 1.34, wt 14.2).

**CONTINUED ON NEXT PAGE:**

Spud Date: 8/10/13

Rig Release Date:

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

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE September 4, 2013

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

**For State Use Only**

**Petroleum Engineer**

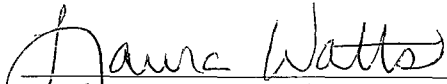
APPROVED BY: [Signature] TITLE  DATE SEP 12 2013

Conditions of Approval (if any):

SEP 12 2013

**Form C-103 continued:**

8/28/13 – Cemented stage #2 w/ 1925 sacks 35:65:6 Poz “C” + 0.47% D013 + 5% D020 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.125#/sx D130 + 61#/sx D903 (yld 2.04, wt 12.6). Tailed in w/ 100 sacks 50/50 Poz “C” + 42#/sx D035 + 5% D044 + 0.2% D046 + 0.05% D208 + 47#/sx D903 (yld 1.34, wt 14.2), WOC 18 hrs. ND BOP. Tested casing to 1500 psi for 30 mins, good. Reduced hole to 8-3/4” and resumed drilling.

  
Regulatory Reporting Technician  
September 4, 2013