

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

HOBBS OGD
WATER CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
SEP 04 2013

Form C-103
Revised July 18, 2013

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.)		WELL API NO. 30-025--40472
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-1646
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Avocado BRO State
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></u>		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3696' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Berry; Bone Spring, North

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: surface 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.

8/21/13 - Resumed drilling @ 12:15 am.

8/22/13 - TD 17-1/2" hole to 1929' at 1:30 pm. Notified E.L. Gonzales w/ Hobbs NMOCD of pending operations.

8/23-24/13 - Set 13-3/8" 54.50# J-55 ST&C casing at 1925'. Set float collar at 1879' and float shoe at 1923'. Cemented w/ 750 sacks 35:65:6 Poz "C" + 2% D020 + 29#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 + 61#/sx D903 (yld 1.92, wt 12.8). Tailed in w/ 180 sacks 50:50 Poz "C" + 42#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.125#/sx D130 + 47#/sx D903 (yld 1.36, wt 14.2). Tested casing to 600# for 30 mins. with no pressure loss. WOC 27 hours 30 mins. Reduced hole to 12-1/4" and resumed drilling. Notified E.L. Gonzales w/ Hobbs NMOCD of operations.

TOC ???

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 August 29, 2013

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

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer

Conditions of Approval (if any): DATE SEP 05 2013

SEP 05 2013