

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

HOBBS OGD
JUG 13 2013

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

<p>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.)</p>		<p>WELL API NO. 30-025-40573</p>																																												
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>																																												
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. VO-3900/VB-1385/VB-1870</p>																																												
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Boston BSN State Com</p>																																												
<p>4. Well Location</p> <table border="0"> <tr> <td>Unit Letter</td> <td>Lot 13</td> <td>:</td> <td>2680</td> <td>feet from the</td> <td>South</td> <td>line and</td> <td>660</td> <td>feet from the</td> <td>West</td> <td>line</td> </tr> <tr> <td>Unit Letter</td> <td>Lot 2</td> <td>:</td> <td>2309</td> <td>feet from the</td> <td>North</td> <td>line and</td> <td>667</td> <td>feet from the</td> <td>West</td> <td>line</td> </tr> <tr> <td>Section-Surf</td> <td>6</td> <td></td> <td></td> <td>Township</td> <td>21S</td> <td>Range</td> <td>34E</td> <td>NMPM</td> <td>Lea</td> <td>County</td> </tr> <tr> <td>Section-BHL</td> <td>7</td> <td></td> <td></td> <td>Township</td> <td>21S</td> <td>Range</td> <td>34E</td> <td>NMPM</td> <td>Lea</td> <td>County</td> </tr> </table>		Unit Letter	Lot 13	:	2680	feet from the	South	line and	660	feet from the	West	line	Unit Letter	Lot 2	:	2309	feet from the	North	line and	667	feet from the	West	line	Section-Surf	6			Township	21S	Range	34E	NMPM	Lea	County	Section-BHL	7			Township	21S	Range	34E	NMPM	Lea	County	<p>8. Well Number 1H</p>
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<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3740' GR</p>		<p>9. OGRID Number 025575</p>																																												
<p>10. Pool name or Wildcat Berry; Bone Spring, North</p>																																														

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Completion Operations ☒

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.

4/17/13 - RIH with sinker bar. DV tool at 8650'.
5/5/13 - Ran GR/CBL/CCL from 8650'-4100'. No pressure.
5/19/13 - NU BOP.
5/20/13 - Tagged at 8675'. Drilled down to 8710'. Tagged up on DV tool, drilled out. Circulated hole clean. Pressure tested casing to 3000 psi for 30 min, good.
5/21/13 - Tagged up on cement at 15,672', drilled down to 16,046' and circulated hole clean.
5/22/13 - Tagged cement at 16,046' and drilled out down to 16,306'. Circulated hole clean.
5/23/13-7/24/13 - Pumped 500g Xylene followed by 1200g 15% NEFE HCL acid. Displaced hole with 375 bbls 3% KCL with Oxygen Scavenger Corrosion Inhibitor and CRW-132 chemical. Reamed through DV tool at 8710'. Perforated Bone Spring 11,857'-16,303'. Pumped 50 bbls 3% KCL down tubing. Pumped 50 bbls 3% KCL down casing. Acidized with 45,918g 15% HCL acid and frac with a total of 3,907,540# TGA ISP 30/50 sand. ND BOP. RIH with 2" sinker bar and CCL down to 11,200'. Logged up to 10,100'.
7/25/13-7/31/13 - Circulated hole clean.
8/5/13 - RIH with GR to 10,900'. Set packer at 10,880'. Pumped 50 bbls fluid down casing. Set 2-7/8" 6.5# L-80 tubing at 10,880'.

Spud Date: 2/25/13

Rig Release Date: 3/30/13

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 August 12, 2013

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

For State Use Only

APPROVED BY: Tina Huerta TITLE Petroleum Engineer DATE OCT 07 2013
Conditions of Approval (if any): OCT 07 2013