

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
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

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. 30-025-41121
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. VO-3900/VB-1384
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Belfast BSL State Com
4. Well Location Unit Letter <u>Lot 4</u> : <u>2750</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Unit Letter <u>Lot 4</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>6</u> Township <u>21S</u> Range <u>34E</u> NMPM Lea County		8. Well Number 1Y
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3740' 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:

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: Spud and surface 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.

4/17/13 - Spudded well at 8:00 AM. Set 80' of 20" conductor and cemented with 30 yds redi-mix to surface.
4/22/13 - Resumed drilling at 12:00 PM.
4/24/13 - TD 17-1/2" hole to 1892' at 12:30 PM. Set 13-3/8" 48# J-55 ST&C casing at 1890'. Cemented with 780 sx Class "C" + 2% PF001 + 4% PF20 + 0.125#/sx PF29 + 0.4#/sx PF46 (yld 1.98, wt 12.9). Tailed in with 200 sx Class "C" Neat cement (yld 1.33, wt 14.8). Circulated 258 sx to pit. Tested casing to 1200 psi for 30 min, good.

Spud Date: 4/17/13

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 Compliance Supervisor DATE April 29, 2013

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

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE MAY 02 2013

Conditions of Approval (if any):

MAY 02 2013