

5/6 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 August 1, 2011

HOBBS OIL CONSERVATION DIVISION
JUN 11 2013

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-40864
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1859/L-5167
7. Lease Name or Unit Agreement Name Action BTI State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Triple X; Bone Spring, West
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3603' GR

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 ☒ Gas Well ☐ Other ☐

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

4. Well Location
Unit Letter D : 200 feet from the North line and 825 feet from the West Line
Unit Letter M : 330 feet from the South line and 660 feet from the West line
Section 16 Township 24S Range 33E NMPM Lea County

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Surface and intermediate 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.

5/26/13 - Resumed drilling at 12:00 AM. TD 17-1/2" hole to 1295'. Set 13-3/8" 48# J-55 ST&C casing at 1295'. Cemented with 470 sx 35:65:6 Poz "C" + 29#/sx D035 + 5#/sx D042 + 0.2% D046 + 0.3% D112 + 0.013#/sx D130 + 6% S020 (yld 1.99, wt 12.6). Tailed in with 360 sx Class "C" + 5#/sx D042 + 0.125#/sx D130 (yld 1.35, wt 14.8). Circulated 239 sx to pit. Tested casing to 726 psi start and end 653 psi. WOC 37 hrs 30 min. Reduced hole to 12-1/4" and resumed drilling.
6/1/13 - TD 12-1/4" hole to 5155'. Set 9-5/8" 36#, 40# J-55 HCK-55 LT&C casing at 5155'. Cemented with 1180 sx 35:65:6 Poz "C" + 0.125#/sx D130 + 5% D44 + 0.2% D46 + 5% D020 + 3#/sx D42 + 0.2% D13 + 0.1% D65 (yld 2.06, wt 12.6). Tailed in with 180 sx 50/50 Poz "C" + 0.125#/sx D130 + 5% D44 + 0.2% D46 + 3#/sx D42 + 0.2% D65 (yld 1.36, wt 14.2). Circulated 140 sx to pit. Tested casing to 250 psi low and 1200 psi high, good. WOC 30 hrs. Reduced hole to 8-3/4" and resumed drilling.

Spud Date:

5/3/13

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 June 6, 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

Conditions of Approval (if any):

JUN 18 2013

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