

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 87411
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

HOBBS OCD

OIL CONSERVATION DIVISION

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

JAN 21 2014

RECEIVED

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. 30-025-40907
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-6276
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Yarrow BHY State
4. Well Location Unit Letter A : 200 feet from the North line and 660 feet from the East line Unit Letter P : 330 feet from the South line and 660 feet from the East line Section 32 Township 23S Range 33E NMPM Lea County		8. Well Number 5H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3663' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Triple X; Bone Spring

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	OTHER: Spud and surface casing <input checked="" type="checkbox"/>
OTHER: <input 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.

1/3/14 - Spudded 26" hole with Rathole at 11:00 AM. Set 80' of 20" conductor and cemented with 6 sx redi-mix to surface. Notified Maxey Brown NMOCD-Hobbs via phone call at 10:00 AM on 1-3-13. Waiting on rotary tools.
1/11/14 - Resumed drilling with rotary tools at 9:30 AM. Notified Maxey Brown NMOCD-Hobbs at 9:00 AM.
1/13/14 - TD 17-1/2" hole to 1307'. Set 13-3/8" 48# J-55 ST&C casing at 1307'. Cemented with 550 sx Class "C" + 2#/sx B288 + 2#/sx B289 + 5#/sx D042 + 5% D044 + 0.3% D112 + 0.125#/sx D130 + 0.2% D46 + 5% D020 (yld 2.23, wt 12.8). Tailed in with 300 sx Class "C" + 0.125#/sx D130 + 0.2% D46 (yld 1.33, wt 14.8). Circulated 146 sx to pit. Tested casing to 800 psi, good. WOC 43 hrs. Reduced hole to 12-1/4" and resumed drilling.

Spud Date: 1/3/14	Rig Release Date:
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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: January 17, 2013

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

For State Use Only

APPROVED BY: Tina Huerta TITLE: Petroleum Engineer DATE: JAN 22 2014

Conditions of Approval (if any):

JAN 22 2014