

State of New Mexico
Energy, Minerals and Natural ResourcesForm C-103
Revised July 18, 2013OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-41055

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-6582/VO-5532

7. Lease Name or Unit Agreement Name

Atoka Bank BDJ State Com

8. Well Number

2H

9. OGRID Number

025575

10. Pool name or Wildcat

Triple X; Bone Spring, West

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 B : 200 feet from the North line and 1780 feet from the East line

Unit Letter O : 330 feet from the South line and 1780 feet from the East line

Section 17 Township 24S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3,596' GR

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 ☐CLOSED-LOOP SYSTEM ☐OTHER: ☐

SUBSEQUENT REPORT OF:

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

1/28/14 - TD 12-1/4" hole to 5,230'. Set 9-5/8" 36# and 40# J-55 and HCK-55 LT&C casing at 5,229'. Cemented with 935 sacks 35:65:6 Poz "C" + 2#/sx B288 + 2#/sx B289 + 3% D020 + 29#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.13#/sx D130 + 61#/sx D903 (yld 2.02, wt 12.8). Tailed in with 365 sacks 50/50 Poz "C" + 42#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.13#/sx D130 + 0.02 gal D177 + 47#/sx D903 (yld 1.35, wt 14.2). Circulated 84 sacks to pit. WOC. Notified NMOCD-Hobbs of casing and cementing operations via voice mail.

1/30/14 - Tested casing to 1500 psi for 30 mins (1577 psi - 1593 psi), good. WOC 30 hours 15 mins. Reduced hole to 8-3/4" and resumed drilling.

Spud Date:

1/8/14

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 February 4, 2014Type 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 DATE FEB 10 2014

Conditions of Approval (if any):

FEB 10 2014