

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

Form C-103

Revised July 18, 2013

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. 30-025-41056
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-5532
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Heartthrob BSX State
4. Well Location Unit Letter D : 200 feet from the North line and 660 feet from the West line Unit Letter M : 230 feet from the South line and 648 feet from the West line Section 17 Township 24S Range 33E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,575' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Triple X; Bone Spring, West

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: 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.

4/24/14 - Apply 1500 psi to casing and run CBL from 11,310' - 750'.

5/7/14 - Tested 5-1/2" casing to 3000 psi for 30 mins, held good. Pressure tested casing to 7000 psi, held good. Pressured up to 7500 psi, held good. Tested intermediate casing to 1500 psi, held. Pressured to 8500 psi, held.

5/12/14 - NU BOP. Circulated casing clean down to 15,713'. Displaced casing with 3% KCL with CRW-132 chemicals.

5/13/14-6/7/14 - Perforated Bone Spring 11,462' - 15,695' (468 holes). Acidized with 65,000 gallons 15% HCL acid, frac with a total of 4,102,710# Econoprop 30/50 and Super DC 20/40 sand.

Spud Date:

3/17/14

Rig Release Date:

4/20/14

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 June 19, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

Petroleum Engineer

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 07/02/14

Conditions of Approval (if any):

JUL 08 2014