

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 July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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. 30-025-40220
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. VB-1050
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Warrior BRW State Com
4. Well Location Unit Letter <u>D</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Unit Letter <u>M</u> : <u>330</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>28</u> Township <u>23S</u> Range <u>35E</u> NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3364' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; 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: Surface and Intermediate 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.

10/2/14 - Resumed drilling with rotary tools at 3:00 am. TD 17-1/2" hole to 1,544'.
10/3/14 - Set 13-3/8" 48#, 54.50# J-55 ST&C at 1,544'. Cemented with 450 sacks Class "C" + 2.5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.125#/sx D130 + 0.1% D238 + 94#/sx D903 (yld 2.10, wt 12.8). Tailed in with 275 sacks Class "C" + 0.5% D020 + 5#/sx D042 + 0.2% D046 + 0.13#/sx D130 + 94#/sx D903 (yld 1.36, wt 14.8). Circulated 94 sacks to the surface.
10/4/14 - Tested casing to 800 psi for 30 mins, ok. WOC 28 hours 15 mins. Reduced hole to 12-1/4" and resumed drilling.
10/7/14 - TD 12-1/4" hole to 5,678'. Set 9-5/8" 36#, 40# J-55 and HCK-55 LT&C casing at 5,669'. Packer stage tool set at 3,777'. Cemented stage 1 with 125 sacks 35:65:6 Poz "C" + 0.2% D013 + 2% D020 + 29#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.125#/sx D130 + 0.1% D238 + 61#/sx D903 (yld 1.92, wt 12.8). Tailed in with 540 sacks 50/50 Poz "C" + 0.1%

CONTINUED ON NEXT PAGE:

Spud Date: 10/31/11 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

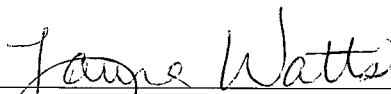
SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE October 17, 2014
Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272
For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 10/22/14
Conditions of Approval (if any):

OCT 22 2014

Form C-103 continued:

D013 + 0.5% D020 + 42#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.1% D238 + 47#/sx D903 (yld 1.38, wt 14.2). Dropped bomb. Wait 25 mins and inflate packer. Opened DV tool at 1100 psi and break circulation. Circulated 220 sacks off of stage tool. Cemented stage 2 with 865 sacks 35:65:6 Poz "C" + 3% D020 + 29#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.5% D065 + 0.125#/sx D130 + 0.1% D238 + 61#/sx D903 (yld 1.94, wt 12.8), and 180 sacks 35:65:6 Poz "C" + 2.5% D020 + 0.2% D046 + 0.3% D065 + 0.13% D130 (yld 1.70, wt 13.5). Tailed in with 100 sacks 50/50 Poz "C" + 0.1% D013 + 1% D020 + 42#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.1% D238 + 47#/sx D903 (yld 1.38, wt 14.2). Circulated 265 sacks to the surface. 10/9/14 - Cement fell back 20'. Filled void with pea gravel. Tagged packer stage tool at 3,785' and drilled and circulated clean. Tested casing to 1300 psi for 30 mins, ok. WOC 69 hours 30 mins. Reduced hole to 8-3/4" and resumed drilling.



Regulatory Reporting Technician
October 17, 2014