

2nd copy 6-7-12

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 August 1, 2011

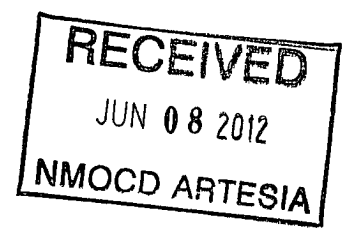
WELL API NO 30-015-39673	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. VB-1077	
7. Lease Name or Unit Agreement Name Steelers BRS State	
8. Well Number 1H	
9. OGRID Number 025575	
10. Pool name or Wildcat Penlon; Bone Spring, East	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT 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 <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>200</u> feet from the <u>East</u> line Unit Letter <u>M</u> : <u>660</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>West</u> line Section <u>24</u> Township <u>20S</u> Range <u>27E</u> NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3341'GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER ☐		OTHER 5' new hole ☒	

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.

3/30/12 - Made 5' new hole at 7:30 AM. TD 35' Hole size 12-1/4". Notified Randy Dade NMOCD-Artesia of operations via email.



Spud Date: 12/29/11 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 Reporting Supervisor DATE April 3, 2012
Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE 575-748-4168
For State Use Only
APPROVED BY: R Dade TITLE Dist. HS Supervisor DATE 6/26/12