

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

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

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|---|
| WELL API NO.<br>30-015-41786  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |
| 7. Lease Name or Unit Agreement Name<br>Cutter APC  |
| 8. Well Number<br>2H  |
| 9. OGRID Number<br>025575   |
| 10. Pool name or Wildcat<br>N. Seven Rivers; Glorieta-Yeso  |

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|---|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other   |  |
| 2. Name of Operator<br>Yates Petroleum Corporation  |  |
| 3. Address of Operator<br>105 South Fourth Street, Artesia, NM 88210  |  |
| 4. Well Location<br>Unit Letter M : 551 feet from the South line and 95 feet from the West line<br>Unit Letter P : 400 feet from the South line and 330 feet from the East line<br>Section 21 Township 19S Range 25E NMPM Eddy County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3,515' GR   |  |

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"/>    | P AND A <input type="checkbox"/>                          |
| CLOSED-LOOP SYSTEM <input type="checkbox"/>    | CASING/CEMENT JOB <input type="checkbox"/>                |
| OTHER: <input type="checkbox"/>                | OTHER: Surface casing <input checked="" type="checkbox"/> |

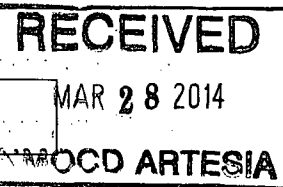
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19:15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/19/14 - Resumed drilling with rotary tools at 4:30 pm. Notified Laura Tulk with NMOCD-Artesia of resumed drilling operation.  
3/20/14 - TD 14-3/4" hole to 1,011'.  
3/21/14 - Set 9-5/8" 36# J-55 LT&C casing at 1,011'. Cemented with 450 sacks Class "C" + 2#/sx B288 + 2#/sx B289 + 4% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 + 94#/sx D903 (yld 2.21, wt 12.8). Tailed in with 250 sacks Class "C" + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.33, wt 14.8). Circulated 114 sacks to surface. WOC.  
3/22/14 - Tested casing to 1200 psi for 30 mins, good. WOC 28 hours. Reduced hole to 7-7/8" and resumed drilling.

Spud Date:

2/26/14

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 March 27, 2014

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

For State Use Only

APPROVED BY: Dr. J. B. Pearson TITLE Dr. J. B. Pearson DATE 3/31/2014

Conditions of Approval (if any):