

Submit 1 Copy To Appropriate District Office
NM OIL CONSERVATION State of New Mexico
 Energy, Minerals and Natural Resources
 District I - (575) 393-6161 ARTESIA DISTRICT
 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

Form C-103
 Revised July 18, 2013

SEP 26 2014

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

RECEIVED

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-39749
2. Name of Operator Yates Petroleum Corporation		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		6. State Oil & Gas Lease No. V-3459
4. Well Location Unit Letter <u>P</u> : <u>200</u> feet from the <u>South</u> line and <u>510</u> feet from the <u>East</u> line Unit Letter <u>A</u> : <u>230</u> feet from the <u>North</u> line and <u>656</u> feet from the <u>East</u> line Section <u>24</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County		7. Lease Name or Unit Agreement Name Southland Royalty APM State
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,356' GR		8. Well Number 2H
		9. OGRID Number 025575
		10. Pool name or Wildcat Turkey Track; Bone Spring

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Completion operations <input checked="" type="checkbox"/>	
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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.

6/9/14 - NU BOP. Tagged DV tool at 7,490' and drilled out. Tested casing to 3000 psi for 20 mins, held good.
 6/10/14 - Tagged at 12,715' and circulated hole clean with 300 bbls 3% KCL with CRW-132. Ran scraper across stage tools at 3,101' and 7,503'.
 6/11/14 - Ran CBL log from 8,540' to surface. Pumped 30 bbls 3% KCL with CRW-132.
 8/26-30/14 - Perforated Bone Spring 8,527' - 12,655' (396 holes). Acidized with 91,000 gallons 7-1/2% HCL acid, frac with a total of 4,031,223# 16/30 RCS and 20/40 White Sand. 2-7/8" 6.50# L-80 tubing at 7,408'.

Spud Date: 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 September 25, 2014

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

APPROVED BY: [Signature] TITLE Dist. Rep. Supervisor DATE 9-26-14

Conditions of Approval (if any):