

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

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. 30-025-40630
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> HOBBS OCD		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-3524
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit / Agreement Name Berry APN State
4. Well Location Unit Letter D : 2500 feet from the South line and 1980 feet from the East line Unit Letter Lot 2 : 330 feet from the North line and 1980 feet from the East line Section 5 Township 21S Range 34E NMPM Lea County		8. Well Number 3H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3714'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Berry; Bone Spring, North

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Spud and surface casing ☒

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.

5/11/13 - Spudded well at 1:00 PM. Set 80' of 20" conductor and cemented with 9 yds redi-mix to surface. Notified E.L. Gonzales NMOC-D-Hobbs via voicemail and email at 7:30 AM 5-13-13.
7/11/13 - Resumed drilling at 3:15 PM.
7/14/13 - TD 17-1/2" hole to 1887' at 1:00 AM.
7/15/13 - Set 13-3/8" 54.5# J-55 ST&C casing at 1887'. Cemented with 1040 sx Class "C" + 5#/sx D042 + 0.3% D112 + 0.125#/sx D130 + 5% D44 + 0.2% D46 + 5.5% D020 (yld 2.16, wt 12.8). Tailed in with 180 sx 50/50 Poz "C" + 0.125#/sx D130 + 5% D44 + 0.2% D46 + 3#/sx D42 + 0.2% D65 (yld 1.36, wt 14.2). Circulated 260 sx to pit. WOC. Tested casing to 1200 psi for 30 min with no pressure loss. WOC 32 hrs 10 min. Reduced hole to 12-1/4" and resumed drilling.

Spud Date: 5/11/13 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 July 18, 2013

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE JUL 29 2013
Conditions of Approval (if any):

JUL 29 2013