

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

HOBBS OGD

Energy, Minerals and Natural Resources

Revised July 18, 2013

DEC 04 2013

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

RECEIVED

WELL API NO. 30-025-41054
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. VO-6276
7. Lease Name or Unit Agreement Name Yarrow BHY State
8. Well Number 4H
9. OGRID Number 025575
10. Pool name or Wildcat Triple X; Bone Spring

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 [X] 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 B : 475 feet from the North line and 2043 feet from the East line
Unit Letter O : 330 feet from the South line and 1980 feet from the East line
Section 32 Township 23S Range 33E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,667' GR

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 [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: Spud and set conductor [X]

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.

11/30/13 - Moved in Rathole Service and spudded with rat hole at 11:40 am. Drilled 26" hole and set 20" conductor at 80'. Cemented with 276 sacks of redi-mix to the surface. Waiting on rotary tools. Notified E. L. Gonzales with Hobbs NMOCD of operations via e-mail.

Spud Date: 11/30/13

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 December 3, 2013

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

For State Use Only

Accepted for Record Only

APPROVED BY: TITLE DATE 12-5-13

Conditions of Approval (if any):

DEC 09 2013