

Submit 1 Copy To Appropriate District

Office

District I – (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II – (575) 748-1288

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

Form C-103

Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-015-40186

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

V-3459

7. Lease Name or Unit Agreement Name

Southland Royalty APM State

8. Well Number

5H

9. OGRID Number

025575

10. Pool name or Wildcat

Turkey Track; 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 ☒ 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 M : 200 feet from the South line and 500 feet from the West line

Unit Letter D : 330 feet from the North line and 660 feet from the West line

Section 24 Township 19S Range 29E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3327'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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: 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.

2/10/13 – Resumed drilling at 6:45 PM.

2/11/13 – TD 17-1/2" hole to 375' at 5:30 AM. Set 13-3/8" 48# J-55 ST&C casing at 374'. Cemented with 400 sx Class "C" + 3#/sx D042 (yld 1.34, wt 14.8). Ran temperature survey and found TOC at 180'. Ran in hole with 1" and tagged at 178'. Cemented with 25 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8).

2/12/13 – WOC. Tagged at 178'. Cemented 25 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). WOC. Tagged at 168'. Cemented with 25 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). WOC. Tagged at 116'. Cemented with 25 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). WOC. Tagged at 45'. Cemented with 50 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). Circulated 20 sx to surface. Tested casing to 600 psi for 30 min. WOC 55 hrs 50 min. Reduced hole to 12-1/4" and resumed drilling.

Spud Date:

2/5/13

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

February 25, 2013

Type or print name

Tina Huerta

E-mail address:

tinah@yatespetroleum.com

PHONE:

575-748-4168

For State Use Only

APPROVED BY:

Dr. J. D. Dade

TITLE

Dr. J. D. Dade

DATE

2/29/13

Conditions of Approval (if any):