

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-40186
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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. V-3459
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Southland Royalty APM State
4. Well Location Unit Letter M : 200 feet from the South line and 500 feet from the West line Unit Letter D : 331 feet from the North line and 507 feet from the West line Section 24 Township 19S Range 29E NMPM Eddy County		8. Well Number 5H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3327'GR		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

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

5/19/13 – NU BOP.

5/20/13 – Tagged DV tool at 3910', drilled out. Circulated hole clean. Pressure tested DV tool to 2500 psi, held good. Tagged 2<sup>nd</sup> DV tool at 7412', drilled out. Circulated hole clean. Pressure tested to 2500 psi, held good.

5/21/13 – Tagged up at 12,544'. Circulated 290 bbls 3% KCL with packer fluid. Reamed out both DV tools.

5/22/13–6/28/13 - Ran CBL/VDL/CCL log to surface with 1000 psi on casing. TOC at surface. Pressured casing to 3300 psi. Perforated 8393'-12,521' (396). Acidized with 60,500g 7-1/2% HCL acid, frac with 4,106,161# 20/40 white sand and 30/60 RCS.

7/4/13 – Pumped 35 bbls brine down 5-1/2" casing, pressured up to 1500 psi. Unable to pump into perms. Flowed well down. Displaced hole from surface to 1760' with brine.

7/5/13 – Tagged sand at 7993'. Established circulation. Circulated large amounts of sand from 7993'-8494'. Lost circulation for a short time, then regained it. Circulated sand from 8494'-8625'. Circulated hole clean.

7/7/13-7/12/13 – Loaded annulus with 50 bbls brine. Pumped 30 bbls brine down tubing. Circulated hole clean down to 12,522'. 2-7/8" 6.5# L-80 tubing at 7600'.

Spud Date: 2/5/13

Rig Release Date: 3/13/13

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 19, 2013

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

For State Use Only

APPROVED BY DRDade TITLE Dist & Supervisor DATE July 23, 2013

Conditions of Approval (if any):

WELL NAME: Southland Royalty "APM" State Com # 5H

FIELD:

LOCATION: (Surf) 200' FSL & 500' FWL, Section 24-19S-29E Eddy County

GL: 3,327' ZERO: 18' KB: 3,345'

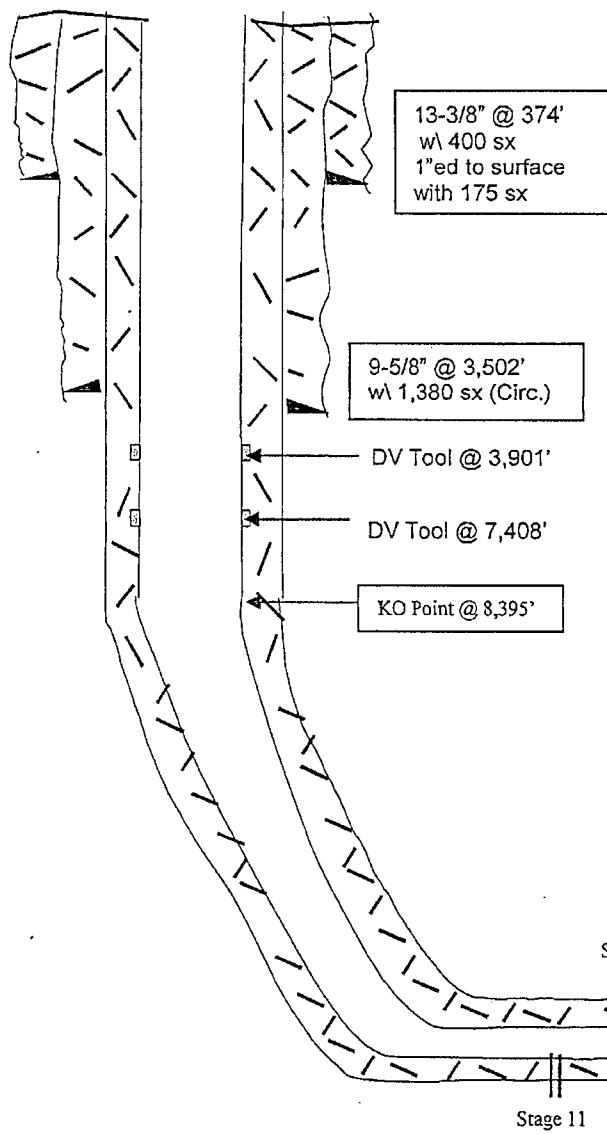
SPUD DATE: 2/16/13 COMPLETION DATE: 3-13-13

COMMENTS: BHL 330' FNL & 660' FWL API No: 30-015-40186

#### CASING PROGRAM

13-3/8" 48# J-55	374'
9-5/8" 36 & 40 # J-55 LT&C	3,502'
5.5" 17# P-110 BT	12,578'

After



Stage 1: 12,263' (10), 12,392' (14), 12,521' (12)  
Stage 2: 11,876' (10), 12,005' (14), 12,134' (12)  
Stage 3: 11,489' (10), 11,618' (14), 11,747' (12)  
Stage 4: 11,102' (10), 11,231' (14), 11,360' (12)  
Stage 5: 10,715' (10), 10,844' (14), 10,973' (12)  
Stage 6: 10,328' (10), 10,457' (14), 10,586' (12)  
Stage 7: 9,941' (10), 10,070' (14), 10,199' (12)  
Stage 8: 9,554' (10), 9,683' (14), 9,812' (12)  
Stage 9: 9,167' (10), 9,296' (14), 9,425' (12)  
Stage 10: 8,780' (10), 8,909' (14), 9,038' (12)  
Stage 11: 8,393' (10), 8,522' (14), 8,651' (12)

5-1/2" @ 12,578'  
1<sup>st</sup> Stage: 920 sx (Circ)  
2<sup>nd</sup> Stage: 670 sx

TD: 12,582'  
FC: 12,531'  
TVD: 8,077'

Not to Scale  
4/1/13  
JMH.