

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

RECEIVED
NOV 18 2013
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
OCD ARTESIA

WELL API NO. 30-015-32027
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. V-2597
7. Lease Name or Unit Agreement Name Flora AKF State
8. Well Number 3
9. OGRID Number 025575
10. Pool name or Wildcat Lost Tank; Delaware

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 L : 2310 feet from the South line and 330 feet from the West line
Section 2 Township 22S Range 31E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3513' 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: Repaired holes in casing [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.

10/23/13 - NU BOP. Set CICR at 4,853'. Pressure tested casing to 1000 psi, held good for 10 mins. Bled down all pressure.
10/24/13 - Stung out retainer. Batched up 100 sacks Class "C" with fluid loss. Sting into retainer. Pumped away cement at 1.5 BPM at 10 psi. Overflushed by 20 bbls. Batched up 100 sacks fluid loss and 200 sacks Class "C" Neat.
10/27/13 - Tagged cement at 4,848'. Drilled cement from 4,848' - 4,853'. Tagged cement retainer. Drilled cement retainer from 4,853' - 4,856'. Drilled cement from 4,856' - 4,904'. Circulated hole clean.
10/28/13 - Drilled cement from 4,904' - 4,937'. Tested casing to 500 psi, held good. Drilled cement from 4,937' - 5,104'. Circulated hole clean. Tested casing to 500 psi, held good. Drilled cement from 5,104' - 5,168'. Tested casing to 500 psi, held good. Drilled cement from 5,168' - 5,234'. Fell out of cement. Circulated down to 5,266'. Tested 5-1/2" casing from surface to 5,900' to 500 psi, held good. Note: Squeezed off holes in casing 4,922' - 5,087' and 5,187' - 5,220'. Held 500 psi for 30 mins. TIH with bit to depth of 5,900' and tagged. Pulled up to 5,880'.

CONTINUED ON NEXT PAGE:

Spud Date: [] Rig Release Date: []

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

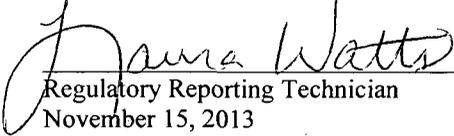
SIGNATURE: Laura Watts TITLE: Regulatory Reporting Technician DATE: November 15, 2013
Type or print name: Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only
APPROVED BY: [Signature] TITLE: Dist II Supervisor DATE: 11/20/13
Conditions of Approval (if any):

Form C-103 continued:

10/29/13 – Circulated sand off RBP at 5,937'. Circulated hole with fresh water. TIH with retrieving tool. Tagged RBP at 5,937', released and TOOH.

10/30/13 – Tagged at 8,144'. ND BOP. 2-7/8" 6.50# J-55 tubing at 8,105'.


Regulatory Reporting Technician
November 15, 2013