

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

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-015-41604
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Lola BUG
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Artesia; Glorieta-Yeso

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>L</u> : <u>2040</u> feet from the <u>South</u> line and <u>230</u> feet from the <u>West</u> line Unit Letter <u>L</u> : <u>2240</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>West</u> line Section <u>21</u> Township <u>18S</u> Range <u>26E</u> - NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,414' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	OTHER: Surface casing <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.

12/8/13 – Resumed drilling with rotary tools at 1:00 pm.

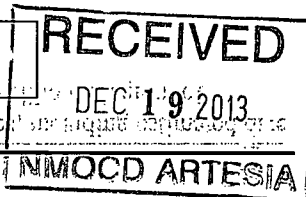
12/11/13 – TD 14-3/4" hole to 1,410'.

12/12/13 – Set 9-5/8" 36# J-55 LT&C casing at 1,410'. Cemented with 675 sacks Class "C" + 2#/sx B288 + 2#/sx B289 + 5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 + 94#/sx D903 (yld 2.23, wt 12.8). Tailed in with 325 sacks Class "C" + 5#/sx D042 + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.33, wt 14.8). Did not circulate cement to surface. Run temperature survey and found TOC at 102'. Notified NMOCD about no returns and let them know TOC at 102'. Mixed and pumped cement at 14.2 BPM @ 1 BPM. Pumped until cement came to surface. Took 146 sacks to get cement to surface. Circulated 22 sacks to half round.

12/13/13 – Tested casing to 1200#, held for 30 mins. WOC 35 hours 30 mins. Reduced hole to 8-3/4" and resumed drilling.

Spud Date: 11/26/13

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 18, 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: Director DATE: 12/19/2013

Conditions of Approval (if any):