

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 August 1, 2011

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

WELL API NO. 30-015-40731
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-2041
7. Lease Name or Unit Agreement Name Anthill AAK State Com
8. Well Number 4H
9. OGRID Number 025575
10. Pool name or Wildcat Parkway; Bone Spring
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3296'GR

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 P : 435 feet from the South line and 330 feet from the East line Unit Letter M : 435 feet from the South line and 330 feet from the West line Section 2 Township 20S Range 29E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3296'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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

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.

1/12/13 - Resumed drilling at 8:30 AM. TD 17-1/2" hole to 418' at 10:00 AM.

1/13/13 - Set 13-3/8" 48# J-55 ST&C casing at 418'. Cemented with 460 sx Class "C" + 0.125#/sx D130 + 0.2% D046 (yld 1.33, wt 14.8). WOC. TOC at 220'. RIH with 1" and tagged at 221'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 221'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 206'. Ran 1" with 25 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC. Tagged at 206'. Ran 1" with 50 sx Class "C" + 2% S1 (yld 1.33, wt 14.8). WOC.

1/14/13 - Tagged at 173'. Ran 1" with 50 sx Class "C" + 2% CaCl2 (yld 1.33, wt 14.8). WOC. Tagged at 163'. Ran 1" with 50 sx Class "C" + 2% CaCl2 (yld 1.33, wt 14.8). WOC. Tagged at 64'. Ran 1" with 75 sx Class "C" 2% CaCl2 (yld 1.33, wt 14.8). Circulated 25 sx to surface.

1/15/13 - Tested casing to 600 psi for 30 min, good. WOC 57 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

Spud Date:

12/3/12

Rig Release Date:

RECEIVED

JAN 24 2013

NMOCD ARTESIA

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 January 18, 2013

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

For State Use Only

APPROVED BY: S. R. Dade TITLE Dist. H. Supervisor DATE 1/24/13

Conditions of Approval (if any):