

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

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.)		WELL API NO. 30-015-41583
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 type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No.
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Sears BSR
4. Well Location Unit Letter <u>D</u> : <u>300</u> feet from the <u>North</u> line and <u>220</u> feet from the <u>West</u> line Unit Letter <u>M</u> : <u>960</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 <u>Eddy</u> County Section <u>17</u> Township <u>18S</u> Range <u>26E</u> NMPM <u>Eddy</u> County		8. Well Number 2H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,388' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Atoka; Glorieta-Yeso

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPS: <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Surface, Intermediate, production casing <input checked="" type="checkbox"/>
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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.

11/15/13 - Resumed drilling with rotary tools at 2:00 am. Add redi-mix cement in conductor pipe to fill void at surface. Cut out window in casing and poured cement down conductor. Wait for cement to cure. TIH to drill out cement. Tagged cement at 64' in. Drilled out cement from 64'-210'.

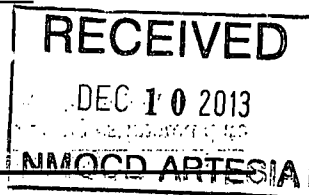
11/16/13 - TD 17-1/2" hole to 295'. Set 13-3/8" 48# J-55 ST&C casing at 295'. Pumped 335 sks of Class "C" + 2#/sx B288 + 2#/sx B289 + 0.13#/sx D130 + 94#/sx D903 + 0.2% D46 + 5#/sx D42 (yld 1.41, wt 14.8). No cement to surface. WOC. Notified NMOCDD said to go in with 1" and tag/circulate cement.

11/17/13 - Pumped 86 sks Class "C" at 14.8 ppg at 1 BPM. Pumped until cement comes to surface. Took 60 sks to get cement to surface. Circulated 26 sks out. WOC. NU BOP. Tested casing to 600 psi. WOC 18 hours. Reduced hole to 12-1/4" and resumed drilling.

CONTINUED ON NEXT PAGE:

Spud Date: 11/6/13

Rig Release Date: 12/5/13



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 9, 2013

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

APPROVED BY: LR Dade TITLE Dist # Supervisor DATE 12/10/13
Conditions of Approval (if any):

Form C-103 continued:

11/18/13 – TD 12-1/4" hole to 990'. Set 9-5/8" 36# J-55 LT&C casing at 990'. Pumped 319 sks Class "C" + 2.0#/sk B288 + 2.0#/sk B289 + 5.0% D020 + 5.0#/sk D042 + 5.0% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sk D130 (yld 2.23, wt 12.80). Tailed in with 167 sks Class "C" + 2.0#/sk B288 + 5.0#/sk D042 + 0.2% D046 + 0.13% D130 + 2.0#/sk D903 (yld 1.41, wt 14.80). Circulated 75 sacks to pit. WOC.

11/19/13 – Test casing to 1200 psi, held ok. WOC 18 hours, 30 mins. Reduced hole to 8-3/4" and resumed drilling.

11/20/13 – Drilled to 1,953' KOP and continued drilling directional. Ran gamma logs from 1,450'-1,953'.

11/24/13 – TIH with 8-1/2" bit. TD 8-1/2" hole to 7,820'.

12/3/13 – Circulate casing. Set 5-1/2" 17# L-80 BTC casing at 7,820'. DV/stage tool set at 947'. Float collar set at 7,772'. Cemented stage 1 with 160 sacks TXI Lite + 2.0#/sk B288 + 2.0#/sk B289 + 0.3% D013 + 3.0% D020 + 5.0% D044 + 0.2% D046 + 0.1% D065 + 0.125#/sk D130 + 5.0#/sk D042 (yld 2.07, wt 12.00). Tailed in with 1025 sacks TXI + 0.2% D046 + 9.32 gal/sk D049 + 0.5% D112 + 30.0% D151 + 1.5% D174 + 0.1% D208 (yld 1.82, wt 13.00). Got 55 bbls cement back. Circulated DV tool. Cemented stage 2 with 140 sacks TXI + 2.0#/sk B288 + 2.0#/sk B289 + 0.3% D013 + 3.0% D020 + 5.0#/sk D042 + 5.0% D044 + 0.2% D046 + 11.358 gal/sk D049 + 0.1% D065 + 0.13#/sk D130 (yld 2.07, wt 12.00). Tailed in with 100 sacks Class "C" + 2.0#/sk B288 + 2.0#/sk B289 + 3.0#/sk D042 + 0.2% D046 + 0.13 #/sk D130 + 94#/sk D903 (yld 1.40, wt 14.80). Got 60 bbls cement back to surface. ND BOP.



Regulatory Reporting Technician
December 9, 2013