

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>947</u> feet from the <u>South</u> line and <u>343</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
		9. OGRID Number 025575
		10. Pool name or Wildcat Atoka; Glorieta-Yeso
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,388' 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: Completion operations ☒

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.

12/17/13 - Installed BOP. Tagged DV tool at 946' and drilled out. Circulated clean. Pressure tested casing to 1000 psi, held good for 10 mins.
12/18/13 - Drilled cement down to 7,773'. Circulated hole with 3% KCL water with Baker Corrosion Inhibitor and Oxygen Scavenger. Tested casing to 1500 psi, held good for 15 mins. TIH with 5-1/2" casing scraper across DV tool. POH. Logged well to surface with 1000 psi. Est TOC at surface.
12/19/13-1/15/14 - Tagged PBDT at 7,773'. Perforated Yeso 3,270' - 7,773' (432 holes). Pumped 25 bbls of Baker chemical treated 3% KCL. Acidized with 57,500 gallons 15% NEFE HCL acid, frac with a total of 3,547,700 lbs 16/30, 20/40 Super LC and Brady sand. 2-7/8" 6.40 lb L-80 tubing at 2,135'.

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 February 26, 2014

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

For State Use Only

APPROVED BY: [Signature] TITLE Asst. R. Supervisor DATE 2/27/2014
Conditions of Approval (if any):