

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

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

Form C-103  
Revised July 18, 2013

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-015-39858
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 checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V-3459
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Southland Royalty APM State
4. Well Location Unit Letter <u>O</u> : <u>200</u> feet from the <u>South</u> line and <u>1800</u> feet from the <u>East</u> line Unit Letter <u>B</u> : <u>330</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>24</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County		8. Well Number 3H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,363' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Turkey Track; Bone Spiring

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

<b>NOTICE OF INTENTION TO:</b> 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"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Set conductor, surface 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.

3/12/14 - RIH with drilling cable tool and reduced hole to 26" and drilled to 176'. Set 150' of 20" conductor and cemented with 6 sacks of redi-mix to surface.  
3/24/14 - Resumed drilling with rotary tools at 1:00 am. TD 17-1/2" hole to 375'. Set 13-3/8" 48# J-55 ST&C casing at 375'. Cemented with 315 sacks Class "C" + 3#/sx D042 + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.34, wt 14.8) no cement to surface. WOC 6 hours to run temperature survey. Survey shows cement at 137'. Ran 1" cement to surface with 150 sacks Class "C" + 3#/sx D042 + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.34, wt 14.8). Full returns. WOC.  
3/25/14 - Tested casing to 600 psi, good. WOC 28 hours 45 mins. Reduced hole to 12-1/4" and resumed drilling.

Spud Date: <u>2/11/14</u>	Rig Release Date: <u></u>	<b>RECEIVED</b> APR 01 2014 NMOCD ARTESIA
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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 March 31, 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. Supervisor DATE 4-1-2014  
Conditions of Approval (if any):