Submit 1 Copy To Appropriate District State of New Mexico Form C-103 Office Revised August 1, 2011 Energy, Minerals and Natural Resources District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 30-015-41408 OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE 🛛 FEE \square 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV - (505) 476-3460 6. State Oil & Gas Lease No. 1220 S. St. Francis Dr., Santa Fe, NM V-4949 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Grande Mike AZK State DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 2H 1. Type of Well: Oil Well Gas Well 2. Name of Operator 9. OGRID Number Yates Petroleum Corporation 025575 3. Address of Operator 10. Pool name or Wildcat 105 South Fourth Street, Artesia, NM 88210 County Line Tank; Wolfcamp 4. Well Location Unit Letter M 3860 feet from the South line and 200 feet from the West line **Township** Section 16S Range **NMPM** Eddy County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3747'GR 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ REMEDIAL WORK ☐ ALTERING CASING ☐ COMMENCE DRILLING OPNS. TEMPORARILY ABANDON **CHANGE PLANS** P AND A PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB П DOWNHOLE COMMINGLE ... OTHER: OTHER: production 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 wellhore diagram of proposed completion or recompletion. proposed completion or recompletion. SEP 1 2 2013 8/17/13 – Drilled to 6570' KOP and continued drilling directional. NMOCD ARTESIA 8/20/13 – Drilled 7,385' and reduced hole to 8-1/2" and continued drilling. 8/30/13 - TD 8-1/2" hole to 11,934'. Notified Laura Tulk w/ NMOCD of production casing and cement operations at 9:38 am. 8/31/13 - Set 5-1/2" 17# P-110 BT&C casing at 11,928'. DV tool at 7,406'. Set Falcon 10K open hole packers at 7572', 7678', 7966', 8254', 8496', 8739', 8981', 9133', 9330', 9572', 9769', 10011', 10163', 10357', 10554', 10840', 11082', 11367', 11610', 11807', Set Falcon 10K frac plugs at 7626', 7823', 8111', 8353', 8596', 8838', 9035', 9232', 9474', 9671', 9914', 10111', 10260', 10457', 10699', 10939', 11227', 11467', 11709' and hydraulic frac sub at 11,860'. Float collar at 11,925". Cemented w/ 825 sacks TXI Litewt (yld 1.97, wt 12.00). Tailed in w/ 180 sacks 50/50 Poz "C", (yld 1.36, wt 14.20). ND BOP. 9/1/13 7/26/13 Spud Date: Rig Release Date: I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE TITLE Regulatory Reporting Technician DATE September 11, 2013

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

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APPROVED BY: DATE 9/16/2013.

Conditions of Approval (if any):