

Submit 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

WELL API NO. 30-015-41691
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Anthill State SWD
8. Well Number 5
9. OGRID Number 025575
10. Pool name or Wildcat Devonian

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 Gas Well Other SWD

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

4. Well Location
 Unit Letter K : 1320 feet from the South line and 1320 feet from the West line
 Section 2 Township 20S Range 29E NMPM Eddy County

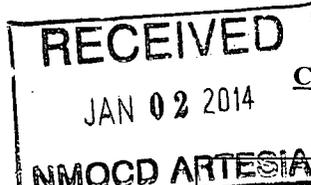
11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,318' GR

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

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

12/5/13 - TD 8-3/4" hole to 12,916'. Ran logs.
 12/9/13 - Set 7" 26# HCP-110 and HCL-80 LT&C at 12,910'. DV tool/stage tool set at 7,035'. Float collar set at 12,816'. Notified NMOCD-Artesia of pending cementing operations via voice mail. Cemented stage 1 with 840 sacks PVLite + 2#/sx B288 + 2#/sx B289 + 3#/sx D042 + 0.2% D046 + 0.4% D167 + 1.0% D174 + 0.03% D208 + 1.1% D800 (yld 1.44, wt 13.2). Circulated 195 sacks to pit. Cemented stage 2 with 440 sacks PVLite + 2.0% D020 + 5#/sx D042 + 5.0% D044 + 0.2% D046 + 75#/sx D049 + 0.12#/sx D130 + 0.9% D800 (yld 1.96, wt 12). Tailed in with 100 sacks 50/50 Poz "C" + 0.5% D020 + 42#/sx D035 + 5.0% D044 + 0.2% D046 + 0.2% D065 + 0.05% D208 + 47#/sx D903 (yld 1.35, wt 14.2). Circulated 72 sacks to pit. Cemented stage 3 with 200 sacks PVLite + 2.0% D020 +



CONTINUED ON NEXT PAGE:

Spud Date: 10/22/13 Rig Release Date: 12/16/13

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 27, 2013
 Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

APPROVED BY: [Signature] TITLE District Supervisor DATE 1/2/2014
 Conditions of Approval (if any):

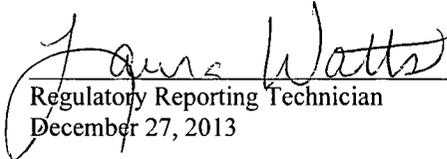
Form C-103 continued:

5#/sx D042 + 5.0% D044 + 0.2% D046 + 75#/sx D049 + 0.2% D065 + 0.125#/sx D130 (yld 1.95, wt 12). Tailed in with 100 sacks 50/50 Poz "C" + 0.5% D020 + 42#/sx D035 + 5.0% D044 + 0.2% D046 + 0.2% D065 + 0.05% D208 + 47#/sx D903 (yld 1.35, wt 14.2). Circulated 43 sacks to pit. WOC.

12/12/13 – Tested casing starting psi 1424, ending psi 1412. Tagged top of DV tool at 7,051' and drilled out at 7,053'.

12/13/13 – Tested casing starting psi 1515#, ending psi 1448#. Drilled float collar and cement to 12,680'. Tested casing starting psi 1499#, ending psi 1524#. WOC 70 hours 55 mins. Reduced hole to 6-1/8" and resumed drilling.

12/14/13 – Reached TD 6-1/8" hole to 13,400 ft. Displaced hole with fresh water. Openhole 12,910' to 13,400'.


Regulatory Reporting Technician
December 27, 2013