

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

WELL API NO. 30-015-41583
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Sears BSR
8. Well Number 2H
9. OGRID Number 025575
10. Pool name or Wildcat Atoka; Glorieta-Yeso

**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

2. Name of Operator  
Yates Petroleum Corporation

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

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		

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

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

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 Dist. R. Supervisor DATE 2/27/2014  
 Conditions of Approval (if any):