

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. 30-015-41969
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 Thomas AJJ
4. Well Location Unit Letter I : 1500 feet from the South line and 150 feet from the East line Unit Letter L : 1700 feet from the South line and 330 feet from the West line Section 8 Township 19S Range 25E NMPM Eddy County		8. Well Number 7H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,455 GR		9. OGRID Number 025575
		10. Pool name or Wildcat Penasco Draw; SA-Yeso

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: Surface 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 wellbore diagram of proposed completion or recompletion.

2/21/14 - Resumed drilling with rotary tools at 6:00 pm.

2/22/14 - TD 14-3/4" hole to 1,011'.

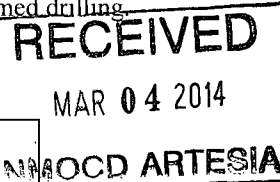
2/23/14 - Notified NMOCD of casing and cement operations via voice mail at 5:30 am. Set 9-5/8" 36# J-55 LT&C casing at 1,011'. Cemented with 315 sacks Class "C" + 2#/sx B288 + 2#/sx B289 + 4% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 + 94#/sx D903 (yld 2.21, wt 12.8). Tailed in with 250 sacks Class "C" + 0.8% D020 + 3% D044 + 94#/sx D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.36, wt 14.8). Circulated 83 sacks to pit. WOC.

2/24/14 - Tested casing to 1200 psi for 30 mins, held good. WOC 28 hours. Reduced hole to 7-7/8" and resumed drilling.

Spud Date:

2/17/14

Rig Release Date:



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 28, 2014

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

For State Use Only

APPROVED BY R. Dade TITLE Dist # Supervisor DATE 3/6/14

Conditions of Approval (if any):