

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. 30-015-39749
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3459
7. Lease Name or Unit Agreement Name Southland Royalty APM State
8. Well Number 2H
9. OGRID Number 025575
10. Pool name or Wildcat 2 nd Bone Spring Sand
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,356'

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 S. 4th St. Artesia, NM 88210

4. Well Location
 Unit Letter P : 200 feet from the South line and 510 feet from the East line
 Section 24 Township 19S Range 29E NMPM Eddy County

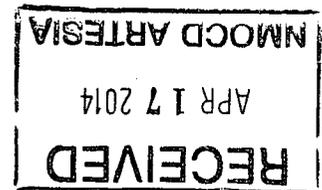
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
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 checked="" 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: <input 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.

Yates Petroleum Corporation respectfully requests to make changes to our approved APD as per the attached paperwork.

Thank you,



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 Naomi Saiz TITLE Well Planning Tech DATE 4/16/14

Type or print name Naomi Saiz E-mail address: nsaiz@yatespetroleum.com PHONE: _____
For State Use Only

APPROVED BY: TC Shepard TITLE Geologist DATE 4-17-2016
 Conditions of Approval (if any): _____

Southland Royalty APM State #2H

Conductor:

Hole will be drilled with a 30" bit to a depth of approx. 150' where 20" casing (casing weight and grade will remain the same) will be set and cemented to surface with ready-mix. TOC=0'.

Intermediate:

Hole will be drilled with a 12 ¼" bit to a depth of approx. 3700' where 9 5/8" casing (cement grade and weight will remain the same) will be set and cemented to surface in 2 stages with a DV/Packer Stage tool at approx. 1600'-1900' (cement volumes will be adjusted according to tool placement).

1st stage-Cemented with approx. 665sx cement, 100% excess TOC= approx. 1800'

2nd stage-Cemented with approx. 635sx cement, 100% excess TOC=0'

Production:

Well will be drilled vertically to 7797'. Well will then be kicked off at 7797' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 8570' MD (8274' TVD). Hole size will then be reduced to 8 1/2" and drilled 100' past the 330' hardline to 12920' MD (8183' TVD).

Production string will be cemented to surface. Penetration point of the producing zone will be encountered at 700' FSL & 526' FEL, 24-19S-29E. Deepest TVD is 8274' in the lateral. .

Production casing will be 5 ½" 17# P-110 and cemented to surface with approx. 2350sx cement (35% excess)

Contingency change:

Yates Petroleum Corporation respectfully requests the option of the previously approved contingency plan if hole conditions warrant but to remove the packers and ports assembly after the setting of the 4 1/2" casing and cement approx. 200' into previous casing. Cement volumes will be adjusted accordingly. After stimulation 4 ½" casing will be cut and pulled at approx. 8500' .