

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
NM OIL CONSERVATION
 Energy, Minerals and Natural Resources
 ARTESIA DISTRICT

Form C-103
 Revised July 18, 2013

MAR 16 2015
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 RECEIVED

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. 30-015-42893
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 checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-0545
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Macanudo BTE State Com
4. Well Location Unit Letter <u>I</u> : <u>2365</u> feet from the <u>South</u> line and <u>605</u> feet from the <u>East</u> line Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>23</u> Township <u>24S</u> Range <u>27E</u> NMPM <u>Eddy</u> County Section <u>14</u> Township <u>24S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		8. Well Number 1H
		9. OGRID Number 025575
		10. Pool name or Wildcat Willow Lake; Bone Spring, West
		11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,171' GR

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

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

3/5/15 - TD 12-1/4" hole to 2,513'. Set 9-5/8" 36# J-55 LT&C casing at 2,513'. Cemented with 480 sacks Class "C" + 0.2% D013 + 5% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.13#/sx D130 (yld 2.10, wt 12.80). Tailed in with 117 sacks Class "C" + 1% D020 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.13#/sx D130 + 0.1% D201 (yld 1.77, wt 13.50). Circulated 104 sacks to the surface.

3/6/15 - Pressure tested casing to 1200 psi, good. WOC 21 hours. Reduced hole to 8-3/4" and continued drilling.

Spud Date: 1/29/15

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 March 16, 2015

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

For State Use Only

APPROVED BY: [Signature] TITLE State Supervisor DATE 3/24/15

Conditions of Approval (if any):