

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 August 1, 2011

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.  
30-005-29177  
5. Indicate Type of Lease  
STATE ☐ FEE ☒  
6. State Oil & Gas Lease No.  
VB-873

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 ☐ **HOBBS OCD**

2. Name of Operator  
Yates Petroleum Corporation **FEB 13 2012**

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

4. Well Location  
Unit Letter N : 990 feet from the South line and 1980 feet from the West line  
Section 35 Township 11S Range 31E NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4449' GR

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Surface and intermediate 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.

1/20/12 - Resumed drilling at 8:00 AM. TD 14-3/4" hole to 428'. Set 11-3/4" 42# H-40 ST&C casing at 428'. Cemented with 350 sx Class "C" + 2#/sx CaCl (yld 1.34, wt 14.8). Circulated 109 sx to pit. Tested casing to 800 psi, good. WOC 25 hrs 15 min. Reduced hole to 11" and resumed drilling.  
1/25/12 - TD 11" hole to 3668'. Set 8-5/8" 32# J-55 ST&C casing at 3668'. Cemented with 740 sx 35:65:6 Poz "C" + 0.25#/sx CF + 5% salt (yld 2.04, wt 12.5). Tailed in with 200 sx Class "C" (yld 1.33, wt 14.8). Circulated 110 sx to half round. Tested casing to 1200 psi, good. WOC 27 hrs 30 min. Reduced hole to 7-7/8" and resumed drilling.

Spud Date:

1/16/12

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE February 9, 2012

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE FEB 15 2012

Conditions of Approval (if any):