

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 87411  
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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-40088
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. VO-7380
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Black Raider BQK State Com
4. Well Location Unit Letter M : 330 feet from the South line and 660 feet from the West line Unit Letter P : 660 feet from the South line and 330 feet from the East line Section 36 Township 24S Range 34E NMPM Lea County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3389' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; Bone Spring

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Production 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.

10/24/12 - Drilled to 8840' KOP and continued to drill directionally.

10/28/12 - Drilled to 9732' and reduced hole to 8-1/2" and continued drilling.

11/6/12 - Reached TD 8-1/2" hole to 13,675'.

11/8/12 - Set 5-1/2" 17# P-110 LT&C casing at 13,659'. DV tool/stage tool at 8018'. Float collar at 13,567'. Cemented stage 1 with 1010 sx TXI + 0.2% D046 + 75#/sx D049 + 0.5% D122 + 30% D151 + 1.5% D174 + 0.03#/sx D177 + 0.1% D208 + 0.7% D800 (yld 1.82, wt 13). Circulated 95 sx to pit. Cemented stage 2 with 520 sx 35:65:6 Poz "C" + 0.2% D013 + 6% D020 + 29#/sx D035 + 5% D044 + 0.2% D046 + 0.125#/sx D130 + 61#/sx D903 (yld 2.06, wt 12.6). Tailed in with 180 sx 50/50 Poz "C" + 0.2% D013 + 2% D020 + 42#/sx D035 + 5% D044 + 0.2% D046 + 0.03g/sx D080 + 0.125#/sx D130 + 0.03g/sx D177 + 47#/sx D903 (yld 1.37, wt 14.2).

Spud Date:

10/6/12

Rig Release Date:

11/10/12

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE November 27, 2012

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

For State Use Only

Accepted for Record Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 11-30-2012

Conditions of Approval (if any):

DEC 03 2012