| Submit 1 Copy To Appropriate District  | State of New Mexico           |  |                                       |  | Form C-103                              |
|--|-------------------------------|--|---------------------------------------|--|---|
| Office District I = (575) 393-6161   | Energy, Minerals a            | Energy, Minerals and Natural Resources |                                       |  | eyised August 1, 2011                   |
| 1625 N. French Dr., Hobbs, NM 88240  |                               |  |                                       | WELL API NO. 30-025-40039  | /                                       |
| <u>District II</u> – (575) 748-1283<br>811 S. First St., Artesia, NM 88210   | OIL CONSERV                   | OIL CONSERVATION DIVISION              |                                       |  |   |
| District III – (505) 334-6178  | 1220 South                    | 1220 South St. Francis Dr.             |                                       |  | ise                                     |
| 1000 Rio Brazos Rd., Aztec, NM 8741  | 1                             | Santa Fe, NM 87505                     |                                       |  | FEE                                     |
| <u>District IV</u> – (505) 476-3460<br>1220 S. St. Francis Dr., Santa Fe, NM   | Santa i C                     | , 14141 07505                          |                                       | 6. State Oil & Gas Leas<br>VB-864  | se No.                                  |
| 87505  |                               |  |                                       | V D-004  |   |
| SUNDRY N   | OTICES AND REPORTS ON         |  |                                       | 7. Lease Name or Unit  | Agreement Name                          |
| (DO NOT USE THIS FORM FOR PRO  | OPOSALS TO DRILL OR TO DEEP   | EN OR PLUG BA                          | CK TO A                               | Mamba BQN State Con  | n /                                     |
| DIFFERENT RESERVOIR. USE "AP PROPOSALS.)   | PLICATION FOR PERMIT" (FORM   | HOBB:                                  | OCD                                   | 8. Well Number   |   |
| 1. Type of Well: Oil Well  | <i>.</i>                      |  |                                       | 1H   | 1                                       |
| 2. Name of Operator  |                               | DEC 2                                  | Q 2012                                | 9. OGRID Number  | 1                                       |
| Yates Petroleum Corporation  |                               | DEU A                                  | 6 2012                                | 025575   |   |
| 3. Address of Operator   |                               |  |                                       | 10. Pool name or Wilde   | cat                                     |
| 105 South Fourth Street, Artesi  | a, NM 88210                   | RECE                                   | EIVED                                 | Wildcat; Bone Spring U   | Jpper Shale                             |
| 4. Well Location   |                               | ***                                    |                                       | · · · · · · · · · · · · · · · · · · ·  | · · · · · · · · · · · · · · · · · · ·   |
| Unit Letter N :  | 330 feet from the             | South li                               | ne and                                | 980 feet from the  | West line                               |
| Unit Letter C  | 360 feet from the             |  | -                                     | 954 feet from the  | West line                               |
|  |                               |  |                                       |  |   |
| Section 30   |                               | 4S Range                               | 33E                                   | NMPM Lea   | County                                  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553'GR   |                               |  |                                       |  |   |
|  |                               | - 3333 GR.                             |                                       | The second secon |   |
| . 10 01  |                               | 1. 3.7                                 | CAT                                   | n  |   |
| 12. Ched   | k Appropriate Box to Inc      | dicate Nature                          | of Notice,                            | Report or Other Data   |   |
| NOTICE OF  | INTENTION TO:                 | . 1                                    | SUB                                   | SEQUENT REPOR  | T OF                                    |
| PERFORM REMEDIAL WORK  |                               | □ REN                                  | JEDIAL WOR                            |  | ERING CASING                            |
| TEMPORARILY ABANDON  | ☐ CHANGE PLANS                |  |                                       | LING OPNS.☐ P AN   |   |
| PULL OR ALTER CASING   | ☐ MULTIPLE COMPL              |  | SING/CEMENT                           |  |   |
| DOWNHOLE COMMINGLE   |                               |  | JII VO/OLIVILIVI                      | 10D  |   |
| · ·  |                               |  |                                       |  | • • •                                   |
| OTHER:   |                               | ОТН                                    | IER:                                  |  |   |
| 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.   |                               |  |                                       |  |   |
|  |                               | ·                                      |                                       |  |   |
| 12/2/12 – Pumped 80 bbls fresh water down tubing. NU BOP. Pumped 50 bbls water down tubing.  |                               |  |                                       |  |   |
| 12/3/12 – Pumped 25 bbls fresh water down casing and 5 bbls fresh water down tubing. POOH with packer. Tagged up at 12,120'.   |                               |  |                                       |  |   |
| 12/4/12 – Pumped 25 bbls fresh water down casing. Pumped 300 bbls fresh water. Could not circulate well. Tagged fish at 12,052 and   |                               |  |                                       |  |   |
| 11,675'.   |                               |  |                                       |  |   |
| 12/5/12 – Pumped 20 bbls fresh water down tubing. Tagged fish at 12,220' and worked tubing down to 12,222'. PUH to 8750'.  |                               |  |                                       |  |   |
| 12/6/12 – Opened up well and had no pressure. Did not have fish. Lay down workstring. TIH with production string with SN on bottom. ND BOP. 2-7/8" 6.5# L-80 tubing at 8710.   |                               |  |                                       |  |   |
| 11D BOT. 2-776 0.5# E-60 tubi.   | ing at 67101.                 | * .f                                   | to an experience                      | · ·  | •                                       |
|  |                               |  |                                       |  |   |
|  |                               |  |                                       |  |   |
|  |                               |  |                                       |  |   |
|  |                               |  |                                       |  |   |
|  |                               |  |                                       |  |   |
|  |                               | r                                      |                                       |  |   |
| 3/1  | /11 p.: p                     | alassa Data                            | •                                     | 12/2/11  | * |
| Spud Date.   | Kig K                         | elease Date:                           | 1                                     | Market Committee   |   |
| The state of the s |                               |  |                                       |  | · · · · · · · · · · · · · · · · · · ·   |
|  |                               | ·                                      | · · · · · · · · · · · · · · · · · · · | <u> </u>   | <del></del>                             |
| I hereby certify that the informat   | ion above is true and complet | e to the best of                       | my knowledge                          | and belief.  | er e e e e e e e e e e e e e e e e e e  |
| arana (  | 11.                           | D D 1                                  | D .: 0                                | , DAME D   | 1 06 0010                               |
| SIGNATURE ( 1  | Herria TITL                   | E <u>Regulator</u>                     | y Keporting Si                        | pervisor DATE Dec  | cember 26, 2012                         |
| Type or print name Tina  | Huerta E-mail add             | ress: tinah@                           | vatesnetroleun                        | n com PHONE: 5   | 575-748-4168                            |
| For State Use Only   | E-IIIAII AUU                  | icss. <u>iiiiaii(<i>W</i></u>          | yaicspenoieuli                        | ECOME 3  | 113-140-4100                            |
| To State Ost Only  | 1                             | Petrolei                               | ım Engineeı                           | •  |   |
| APPROVED BY:   | any TITL                      |  |                                       | DATE JA  | N 0 3 2013 - 1                          |
| Conditions of Approval (if any):   |                               | Management of the same names           | 1944                                  | . 4  |   |
|  |                               |  |                                       |  |   |

JAN 0 8 2013