

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 May 27, 2004

HOBS OCD
OCT 10 2013
RECEIVED

WELL API NO. 30-025-40515
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1185
7. Lease Name or Unit Agreement Name Taipan BST State
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat 2 nd Bone Springs Sand

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 **HOBS OCD**

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
 Unit Letter C : 175 feet from the North line and 2200 feet from the West line
 Section 31 Township 24S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3540.0

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input checked="" type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully requests permission to make the following wellbore and casing changes as follows:

Set 13 3/8" casing at 1125' where 48# 13 3/8" casing will be cemented with 850sx cement with TOC=0'.

Change our target formation to 2nd Bone Springs Sand with EOL at 15,703' MD(11,115' TVD) where 5 1/2" 17# P-110 BT&C casing will be set and cemented 500' into previous casing and cemented in two stages.

Stage I: Cemented with 1085sx of cement, TOC=8500'
 Stage II: Cemented with 740sx of cement, TOC=4540'

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Naomi Saiz TITLE Well Planning Tech DATE 10/10/13

Type or print name Naomi Saiz E-mail address: nsaiz@yatespetroleum.com Telephone No. 575-748-4211

For State Use Only
 APPROVED BY: [Signature] TITLE Petroleum Engineer DATE OCT 10 2013
 Conditions of Approval (if any): _____

OCT 10 2013