

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 July 18, 2013

HOBBS OGD

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

FEB 05 2014

RECEIVED

SUNDRY NOTICES/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. 30-025-40907
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-6276
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Yarrow BHY State
4. Well Location Unit Letter A : 200 feet from the North line and 660 feet from the East line Unit Letter P : 330 feet from the South line and 660 feet from the East line Section 32 Township 23S Range 33E NMPM Lea County		8. Well Number 5H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3663' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Triple X; 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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

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

1/18/14 - TD 12-1/4" hole to 5,222'. Notified Maxey Brown with NMOCD-Hobbs of casing and cement operations.
1/19/14 - Set 9-5/8" 36# and 40# J-55 and HCK-55 LT&C casing at 5,222'. Cemented with 1025 sacks 35:65:6 Poz "C" + 2#/sx B288 + 2#/sx B289 + 3% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.13#/sx D130 (yld 2.02, wt 12.8). Tailed in with 300 sacks 50/50 Poz "C" + 3% D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.13% D130 + .02 gal/sx D177 (yld 1.35, wt 14.2). Circulated 278 sacks to pit.
1/20/14 - Tested casing to 1200 psi, good test. WOC 32.50 hours. Reduced hole to 8/34" and resumed drilling.

Spud Date:

1/3/14

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 February 4, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4168
For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE FEB 10 2014
Conditions of Approval (if any):

FEB 10 2014