

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

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

WELL API NO. 30-025-40907
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-6276
7. Lease Name or Unit Agreement Name Yarrow BHY State
8. Well Number 5H
9. OGRID Number 025575
10. Pool name or Wildcat Triple X; Bone Spring

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 PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

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

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 Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3663'GR

HOBBS OGD
 FEB 14 2014
 RECEIVED

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- 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.

1/25/14 - Drilled to 10,713' KOP and continued drilling directional.
 1/31/14 - Drilled to 11,487' reduced hole to 8-1/2" and continued drilling.
 2/5/14 - Reached TD 8-1/2" hole to 15,670'.
 2/7/14 - Notified Maxey Brown with NMOCD-Hobbs at 3:30 pm of casing and cementing operations.
 2/8/14 - Set 5-1/2" 17# P-110 Buttress casing at 15,670'. Stage tools at 6,993' and 10,095'. Float collar at 15,621'. Cemented stage 1 with 1000 sacks Pecos Valley Lite + 0.5% D112 + 30% D151 + 2% D174 + 0.01 gal/sx D177 + 0.15% D208 + 0.9% D800 + 0.2% D46 (yld 1.83, wt 13). Circulated 450 sacks to pit. Cemented stage 2 with 560 sacks Pecos Valley Lite + 0.5% D112 + 30% D151 + 2% D174 + 0.15% D208 + 0.65% D800 + 0.2% D46 (yld 1.83, wt 13). Circulated 185 sacks to pit.

CONTINUED ON NEXT PAGE:

Spud Date: 1/3/14 Rig Release Date: 2/9/14

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 13, 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 19 2014
 Conditions of Approval (if any):

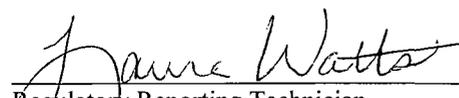
HOBBS OCD

FEB 14 2014

Form C-103 continued:

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Cemented stage 3 with 425 sacks 35:65:6 Poz "C" + 0.2% D013 + 5% D044 + 0.125#/sx D130 + 0.1% D208 + 0.2% D46 + 3% D020 + 0.2% D65 (yld 2.00, wt 12.6). Tailed in with 100 sacks 50/50 Poz "C" + 5% D044 + 0.03 gal/sx D080 + 0.08% D208 + 0.2% D46 + 0.06% D65 (yld 1.35, wt 14.2).



Regulatory Reporting Technician
February 13, 2014