

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 OCD

APR 07 2014

RECEIVED

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

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 Wildcat; 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 SUCH 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 C : 175 feet from the North line and 2200 feet from the West line
 Unit Letter N : 330 feet from the South 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' GR

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:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

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

3/1/14 - Drilled to 10,604' KOP and continued drilling directionally.
 3/3/14 - Drilled to 11,245' and reduced hole to 8-1/2" and continued drilling.
 3/10/14 - Reached TD 8-1/2" hole to 15,778'.
 3/13/14 - Set 5-1/2" 17# HCP-110 BT&C casing at 15,778'. DV/Stage tool at 6532' and 10,464'. Float collar at 15,729'. Cemented stage 1 with 1000 sx 50/50 Poz cement with additives (yld 1.83, wt 13). Drop opening bomb, pressured up to 2000 psi and open DV tool. Did not circulate cement. Cemented stage 2 with 600 sx 35:65:6 Poz "H" with additives (yld 2.02, wt 12.6). Tailed in with 100 sx 50/50 Poz with additives (yld 1.37, wt 14.2). No returns throughout 2nd stage.

Spud Date: 6/28/12 Rig Release Date: 3/14/14

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: April 3, 2014
 Type or print name: Tina Huerta E-mail address: tina.huerta@yatespetroleum.com PHONE: 575-748-4272

For State Use Only
 APPROVED BY: [Signature] TITLE: Petroleum Engineer DATE: APR 09 2014
 Conditions of Approval (if any):

APR 14 2014

[Handwritten initials]