

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

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

Form C-103  
Revised July 18, 2013

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.)		WELL API NO. 30-025-41631
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. VB-1859/ L-5167
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Action BTI State Com
4. Well Location Unit Letter C : 320 feet from the North line and 1980 feet from the West line Section 16 Township 24S Range 33E NMPM Lea County		8. Well Number 2H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,608' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Triple X; Bone Spring, West

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: Spud, surface 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.

4/18/14 - Spudded well with rathole service at 11:45 am. Hole size 30". Set 80' of 20" conductor and cemented with 8 sacks of redi-mix to surface. Left Maxey Brown with NMOC-D-Hobbs a message via voice mail.  
4/26/14 - Resumed drilling with rotary tools at 1:00 pm. Notified Maxey Brown with NMOC-D-Hobbs. TD 17-1/2" hole to 1,254'. Set 13-3/8" 48# J-55 ST&C casing at 1,254'. Cemented with 400 sacks Class "C" + 4% D020 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.3% D112 + 0.125#/sx D130 (yld 2.13, wt 12.8). Tailed in with 270 sacks Class "C" + 5#/sx D042 + 0.2% D046 + 0.125% D130 + 0.02 gal/sx D177 (yld 1.35, wt 14.8). Circulated 250 sacks to surface. WOC.  
4/28/14 - Tested casing to 1200 psi for 30 mins, held good. WOC 32 hours 45 mins. Reduced hole to 12-1/4" and resumed drilling.

Spud Date:

4/18/14

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 May 8, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

Petroleum Engineer

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 05/14/14  
Conditions of Approval (if any): mb

MAY 14 2014