

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. 30-025-41378
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-2103
7. Lease Name or Unit Agreement Name Cranberry BSU State Com
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>P</u> : <u>200</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>11</u> Township <u>21S</u> Range <u>33E</u> NMPM <u>Lea</u> County <u></u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,786'	

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Intermediate casing <input checked="" type="checkbox"/>
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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.

8/3/14 - TD 12-1/4" hole to 6,126'.

8/4/14 - Set 9-5/8" 36# and 40# J-55, HCK-55 LT&C casing set at 6,126'. Cemented stage 1 with 500 sacks 35:65:6 Poz "C" + 0.2% D013 + 2% D020 + 90#/sx D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.125#/sx D130 + 0.1% D238 (yld 1.92, wt 12.8). Tailed in with 180 sacks 50/50 Poz "C" + 0.3% D013 + 0.5% D020 + 89#/ D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.1% D238 (yld 1.38, wt 14.2). Circulated 467 sacks to the surface. WOC 52 hours 30 mins. Cemented stage 2 with 1490 sacks 35:65:6 Poz "C" + 3% D020 + 90# D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.5% D065 + 0.125#/sx D130 + 0.1% D238 (yld 1.94, wt 12.8). Tailed in with 100 sacks 50/50 Poz "C" + 0.1% D013 + 1% D020 + 89# D035 + 5#/sx D042 + 5% D044 + 0.2% D046 + 0.2% D065 + 0.1% D238 (yld 1.38, wt 14.2). Circulated 182 sacks to the surface. WOC 39 hours 10 mins.

8/6/14 - Tested casing to 1000 psi for 30 mins, good test. Reduced hole to 8-3/4 and resumed drilling.

Spud Date:

7/18/14

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 August 11, 2014

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

For State Use Only

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 08/15/14

Conditions of Approval (if any):

AUG 20 2014