

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

RECEIVED
 HOBBBS OGD
 DEC 19 2014

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| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-41783 |
| 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-8488 |
| 3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 | | 7. Lease Name or Unit Agreement Name Petticoat BVI State |
| 4. Well Location Unit Letter <u>D</u> : <u>200</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Unit Letter <u>M</u> : <u>230</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>21</u> Township <u>18S</u> Range <u>36E</u> NMPM <u>Lea</u> County | | 8. Well Number 1H |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,834' GR | | 9. OGRID Number 025575 |
| | | 10. Pool name or Wildcat Wildcat; Bone Spring |

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

| NOTICE OF INTENTION TO: | SUBSEQUENT REPORT OF: |
|--|---|
| 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"/> | REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: 5' new hole <input checked="" type="checkbox"/> |

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.

12/17/14 - Made 5' new hole. TD 60'. Hole size 20".

Note: Set and cemented a 30" culvert with locking device on 6/17/14.

Spud Date: 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 December 18, 2014

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

For State Use Only
 Accepted for Record Only
 APPROVED BY: _____ TITLE _____ DATE _____
 Conditions of Approval (if any): _____

DEC 22 2014