

DEC 22 2014

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

RECEIVED

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

WELL API NO. 30-025-42124
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. V-8239
7. Lease Name or Unit Agreement Name September Grass BSG State Com
8. Well Number 3H
9. OGRID Number 025575
10. Pool name or Wildcat Berry; Bone Spring, North
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,718' GR

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 [X] 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 K : 2625 feet from the South line and 1980 feet from the West line
Unit Letter F : 2310 feet from the North line and 1980 feet from the West line
Section 5 Township 21S Range 34E NMPM Lea County
Section 8 Township 21S Range 34E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,718' GR

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:
REMEDIATION WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS [] P AND A []
CASING/CEMENT JOB []
OTHER: Spud [X]

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.

12/16/14 - Spudded 36" hole with rathole service at 4:00 pm. Set 84' of 20" conductor and cemented with 297 sacks of redi-mix to the surface.

Spud Date: 12/16/14 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 December 19, 2014

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

APPROVED BY: [Signature] TITLE Petroleum Engineer DATE 12/23/14
Conditions of Approval (if any):

DEC 23 2014