Submit 1 Copy To Appropriate District Office NM OIL CONSERVATION State of New Mexico District II - (575) 393-6161 ARTESIA DISTRIGUERY, Minerals and Natural Resources 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 JAN 13 2045 811 S. First St., Artesia, NM 88210 District III - (505) 334-6178 1220 South St. Francis Dr. 1000 Rio Brazos Rd., Aztec, NM 87 RECEIVED Santa Fe, NM 87505 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	Revised July 18, 2013         WELL API NO.         30-015-42755         5. Indicate Type of Lease         STATE STATE FEE         6. State Oil & Gas Lease No.         VA-1835         7. Lease Name or Unit Agreement Name         Humidor BML State Com         8. Well Number         5H         9. OGRID Number         025575         10. Pool name or Wildcat
District III - (505) 334-6178       1220 South St. Francis Dr.         1000 Rio Brazos Rd., Aztec, NM 87 RECEIVED       Santa Fe, NM 87505         District IV - (505) 476-3460       Santa Fe, NM 87505         1220 S. St. Francis Dr., Santa Fe, NM 87505       Sundar Fe, NM 87505         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.)       Gas Well         1. Type of Well: Oil Well       Gas Well         2. Name of Operator         Yates Petroleum Corporation         3. Address of Operator	<ul> <li>5. Indicate Type of Lease STATE FEE</li> <li>6. State Oil &amp; Gas Lease No. VA-1835</li> <li>7. Lease Name or Unit Agreement Name Humidor BML State Com</li> <li>8. Well Number 5H</li> <li>9. OGRID Number 025575</li> </ul>
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Yates Petroleum Corporation         3. Address of Operator	025575
3. Address of Operator	10 Pool name or Wildcat
	Willow Lake; Bone Spring, West
4. Well Location	
	575feet from theEastline400feet from theEastline
Section23Township24SRange27ESection26Township24SRange27E	NMPM <u>Eddy</u> County NMPM Eddy County
Section26Township24SRange27E11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
3,171' GR	
DOWNHOLE COMMINGLE	
13. Describe proposed or completed operations. (Clearly state all pertinent details, and of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Comproposed completion or recompletion.	
/9/15 – Made 5' new hole. TD 25'. Hole size 20".	
Note: 30" culvert with locking lid was set and cemented in place with 1.3 yards redi-mix.	
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Spud Date: 10/28/14 Rig Release Date:	
<ul> <li>Contraction and the processing of the theory of the processing of the p</li></ul>	
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hereby certify that the information above is true and complete to the best of my knowledge	Sand DUILL
SIGNATURE for the former of the second secon	<u>Fechnician</u> DATE January 12, 2015
SIGNATURE <u>Contractional Andrease</u> TITLE <u>Regulatory Reporting To</u> Type or print name <u>Laura Watts</u> E-mail address: <u>laura@yatespetroleur</u>	<u>Fechnician</u> DATE January 12, 2015
SIGNATURE Laura Watts E-mail address: laura@yatespetroleur	<u>Fechnician</u> DATE January 12, 2015

## Permit Conditions of Approval

API: 30-0/5 - 42755

WATCHING TO COM

	OCD Reviewer	Condition
	CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string