<u>District I</u> State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit 21990 Energy, Minerals and Natural Resources Phone:(505) 393-6161 Fax:(505) 393-0720 WELL API NUMBER Oil Conservation Division 1301 W. Grand Ave., Artesia, NM 88210 30-025-37265 Phone:(505) 748-1283 Fax:(505) 748-9720 1220 S. St Francis Dr. Santa Fe, NM 87505 Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 State Oil & Gas Lease No. Phone:(505) 476-3470 Fax:(505) 476-3462 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name SAND SPRINGS ASU STATE (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 005 1. Type of Well:G 9. OGRID Number 2. Name of Operator VATES PETROLELIM CORPORATION 25575 3. Address of Operator 10. Pool name or Wildcat. 105 S 4TH ST, ARTESIA, NM 88210 4. Well Location 1920 S 660 W Unit Letter feet from the line and feet from the line 11S 34E Range NMPM Section Township Lea County Elevation (Show whether DR, KB, BT, GR, etc.) 4146 GR Pit or Below-grade Tank Application or Closure __ Depth to Groundwater_ Distance from nearest fresh water well_ Distance from nearest surface water_ Pit Type bbls; Construction Material Below-Grade Tank: Volume_ Pit Liner Thickness: mil Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ALTER CASING PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WORK TEMPORARILY ABANDON | CHANGE OF PLANS COMMENCE DRILLING OPNS. | PLUG AND ABANDON | PULL OR ALTER CASING ™ MULTIPLE COMPL CASING/CEMENT JOB Other Other: Drilling/Cement × 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. 1-11-06 TD 17-1/2" hole to 423'. Set 13-3/8" 48# casing @ 432'. Cemented w/240 sx "C" w/additives and tailed in w/200 sx. Cement circulated. WOC 20 hrs, 30 mins. Reduced hole to 12-1/4" and resumed drilling. 1-19-06 TD 12-1/4" hole to 4157". Set 9-5/8" 36# and 40# casing @ 4157". Cemented w/1500 sx 35:65:6 POZ "C" and tailed in w/200 sx. Cement circulated. WOC 31 hrs. Reduced hole to 8-3/4" and resumed drilling.1/6/2006 Spudded well. Casing and Cement Program Pres Fluid Hole Csg Weight Est Doth Pres Open Date String Grade Sacks Yield Class Ib/ft TOC Size Size Set Doth Held Drop Hole Type C 01/11/06 Surf 17.5 13,375 48 H40 0 432 440 01/20/06 J55 0 1700 c Int1 12.25 9.625 40 4157 I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general pennit or an (attached) alternative OCD-approved plan . SIGNATURE Electronically Signed TITLE Regulatory Agent DATE 1/24/2006

E-mail address debbiec@ypcnm.com

TITLE Geologist

Telephone No. 505-748-4376

DATE 1/25/2006 11:24:48 AM

Type or print name Debbie Caffall

Paul Kautz

<u>For State Use Only:</u> APPROVED BY: