

District I 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W Grand Ave., Artesia, NM 87410
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
APR 05 2010
HOBBSD

WELL API NO. 30-025-39105
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. V-5883
7. Lease Name or Unit Agreement Name Mandrell BMT State Com
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Mississippian (Gas)

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 [X] 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 : 1650 feet from the South line and 1980 feet from the West line. Section 18 Township 14S Range 35E NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4061' GR

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [X] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] MULTIPLE COMPL [] DOWNHOLE COMMINGLE []
OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] P AND A [] CASING/CEMENT JOB []
OTHER: []

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 proposed completion or recompletion.

The Oil Conservation Division Must be notified 24 hours prior to the beginning of plugging operations

Yates Petroleum - leasehold plugging procedure:
Well was drilled to 12-1/4" diam to 70'. Water standing 18' below ground level.
1. Fill well bore w/gravel to 13' below ground level.
2. Fill w/cement to 3' below ground level (10').
3. Drop in 12" round plate w/well information welded on it.
4. Fill to surface w/dirt (3').
5. Clean & level area around wellbore.
6. Procedure as per Buddy Hill phone conversation 3/31/10.
7. Lat: N33°06'06.88" - Lon 103°26'55.91" SPC - N: 765754.744 E: 812104.289 (NAD-83)

Spud Date: 8/26/08 Rig Release Date: 4/24/09

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE April 1, 2010

Type or print name Allison Barton E-mail address: abarton@yatespetroleum.com PHONE: (575) 748-1471

For State Use Only

APPROVED BY [Signature] TITLE Staff Manager DATE 6-16-10
Conditions of Approval (if any):