

District I
1625 N French Dr, Hobbs, NM 88240

District II
1301 W Grand Ave, Artesia, NM 88210

District III
1000 Rio Brazos Rd, Aztec, NM 87410

District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

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

JUN 18 2010

HOBBS

WELL API NO. 30-025-39713
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-7380
7. Lease Name or Unit Agreement Name Yellow Raider BPW State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Red Hills; Bone Spring, East (Oil)

SUNDRY HOBBSON 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

4. Well Location
Unit Letter A : 660 feet from the North line and 330 feet from the East line
Section 36 Township 24S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3351' GR

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A

OTHER: Drilling 5' of new hole

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.

6/14/10 Made 5' of new hole @ 1:30 p.m. TD = 30'. Hole size 12-1/4". Notified Elidio Gonzales w/Hobbs NMOCD via e-mail.

Accepted for Record Only

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 Allison Barton TITLE Regulatory Compliance Technician DATE 6/16/10

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

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUN 21 2010

Conditions of Approval (if any): **Accepted for Record Only**

J.M.