

Submit 3 Copies To Appropriate District  
Office,  
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

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 16, 2008

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

WELL API NO. 30-015-38550
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-4949
7. Lease Name or Unit Agreement Name Grande Mike "AZK" State
8. Well Number 003H
9. OGRID Number 025575
10. Pool name or Wildcat WC; County Line Tank; Wolfcamp (O)

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South Fourth Street, Artesia NM 88210
4. Well Location Unit Letter Lot 12 : 3310 feet from the North line and 200 feet from the West line; Surface Hole Unit Letter Lot 9 : 3550 feet from the North line and 330 feet from the East line, Bottom Hole Section 2 Township 16S Range 29E NMPM Eddy County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3723' 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 ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: Change surface location ☒

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.

Yates Petroleum Corporation wishes to change the surface location 3050' FNL & 200' FWL to 3310' FNL & 200' FWL. The mud program will now be: 0'-400'-FW Gel; 400'-2600'-Brine Water; 2600'-7450'-Cut Brine; and 6760'-11827'. The pilot hole will be drilled to 7450'. Well will then be plugged back with a 200' plug on bottom and a 500' kick off plug at KOP. Well will then be kicked off at about 6760' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 7502' (7238' TVD) and an 8 1/2" to 11807' MD (7310' TVD), where 5 1/2" casing with packer port completion system will be set and cemented. Bottom of cement for production casing will be 7450' MD and top of cement will be 2100'. A Hydraulic Stage Packer tool will be set at approx. 7450' and DV tool approx. 4000'. The BOPE will remain the same.

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

SIGNATURE Clifton May TITLE Land Regulatory Agent DATE May 1, 2012

Type or print name Clifton May E-mail address: Yates Petroleum Corporation PHONE: 575-748-4347

For State Use Only

APPROVED BY: T. C. Shepard TITLE Geologist DATE 5/8/2012  
Conditions of Approval (if any):

