

District I
25 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

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

WELL API NO. 30-015-32902
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Imperial Stout AXL
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Kennedy Farms; Morrow

<p>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.)</p> <p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> RECEIVED</p>		
<p>2. Name of Operator Yates Petroleum Corporation</p>		JUN 13 2005
<p>3. Address of Operator 105 S. 4th Street, Artesia, NM 88210</p>		OCD-ARTESIA
<p>4. Well Location Unit Letter <u>G</u> : <u>1400</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>11</u> Township <u>7S</u> Range <u>26E</u> NMPM <u>Eddy</u> County</p>		
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3306'GR</p>		
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		
<p>Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____</p>		
<p>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		

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. ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐

OTHER: Spud, surface casing ☒

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.

5/28/05 – Spudded well at 8:30 AM. Set 93' of 20" conductor. Cemented with 276 sx Premium Plus cement. Circulated to surface.
6/6/05 – Resumed drilling at 4:30 PM. Set 13-3/8" 48# H-40 8rd casing at 433'. Cemented with 250 sx Premium Plus cement (yld 1.347, wt 14.8). Tailed in with 750 sx Premium Plus cement (yld 1.345, wt 14.8). Cement circulated to surface. Tested casing to 600 psi for 30 min. WOC 28 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

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 permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 10, 2005

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE JUN 15 2005

Conditions of Approval (if any):