

District I

Energy, Minerals and Natural Resources

October 13, 2009

District II  
1625 N. French Dr., Hobbs, NM 88240

RECEIVED

District III  
1301 W. Grand Ave., Artesia, NM 88210

OIL CONSERVATION DIVISION

District IV  
1000 Rio Brazos Rd., Aztec, NM 87410

APR 07 2010

1220 South St. Francis Dr.

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

HOBBSOCD

Santa Fe, NM 87505

WELL API NO. <b>30-005-29121</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2123
7. Lease Name or Unit Agreement Name Patsy BPI State
8. Well Number 7
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Mississippian
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4450'GR

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  Other

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 South Fourth Street, Artesia, NM 88210

4. Well Location  
Unit Letter O : 660 feet from the South line and 1980 feet from the East line  
Section 35 Township 11S Range 31E NMPM Chaves County

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.

SUBSEQUENT REPORT OF:

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

OTHER:  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.

4/05/10 Made 5' of new hole @ 11:45 a.m. TD = 20'. Hole size 12-1/4". Notified Sylvia Dickey w/Hobbs NMOCD via e-mail.

Accepted for Record Only

Spud Date: 2/26/10

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 4/05/10

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 APR 08 2010

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