

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720
District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-103
Permit 33964

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: <input type="radio"/>		WELL API NUMBER 30-025-37799
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
2. Name of Operator YATES PETROLEUM CORPORATION		7. Lease Name or Unit Agreement Name LOTUS ALT STATE
3. Address of Operator 105 S 4TH ST , ARTESIA , NM 88210		8. Well Number 012
4. Well Location Unit Letter <u>B</u> : <u>330</u> feet from the <u>N</u> line and <u>2310</u> feet from the <u>E</u> line Section <u>32</u> Township <u>22S</u> Range <u>32E</u> NMPM Lea County		9. OGRID Number 25575
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3553 GR		10. Pool name or Wildcat
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

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 OF PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐
Other: **Drilling/Cement** ☒

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.
7-8-06 TD 17-1/2" hole to 865'. Set 13-3/8" 43# casing @ 865'. Cemented w/ 580 sx 35.65.6 POZ "C". Tailed in w/200 sx "C". Cement circulated. WOC 26 hrs, 45 mins. Reduced hole to 11" and resumed drilling 6/30/2006 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
07/08/06	Surf		17.5	13.375	48	H40	0	865	780		C				

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 Electronically Signed TITLE Regulatory Tech DATE 7/12/2006
Type or print name dusty bean E-mail address dustyb@ypcnm.com Telephone No. 505-748-4364

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 7/13/2006 8:03:42 AM