

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 39928

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.)		WELL API NUMBER 30-015-35098
1. Type of Well:G		5. Indicate Type of Lease S
2. Name of Operator YATES PETROLEUM CORPORATION		6. State Oil & Gas Lease No.
3. Address of Operator 105 S 4TH ST , ARTESIA , NM 88210		7. Lease Name or Unit Agreement Name MOSLEY CANYON BIA STATE COM
4. Well Location Unit Letter 1 : 660 feet from the N line and 660 feet from the E line Section 5 Township 24S Range 25E NMPM Eddy County		8. Well Number 001
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3814 GR.		9. OGRID Number 25575
Pit or Below-grade Tank Application ☐ or Closure ☐ 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 _____		10. Pool name or Wildcat

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.

10/5/06 Resumed drilling at 8:30 AM.

10/6/06 Set 13-3/8" 48# H-40 casing at 470'. Cemented with 440 sx Class "C" + 0.25#/sx Cellophane flakes + 2% CaCl2 (yld 1.32, wt 14.8). Cement circulated to surface. Tested casing to 600 psi for 30 min. WOC 31 hrs 30 min. Reduced hole to 12-1/4" and resumed drilling.

10/12/06 Set 9-5/8" 36# J-55 ST&C casing at 2603'. Cemented with 180 sx Class "H" cement + 10%A-10 + 0.125#/sx Cellophane flakes + 8#/sx LCM-1 + 1% CaCl2 (yld 1.52, wt 14.6) and 650 sx 35:65:6 Poz "C" + .125#/sx Cellophane flakes + 5#/sx LCM-1 + 2% CaCl2 (yld 1.98, wt 12.5). Tailed 10/1/2006 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
10/06/06	Surf		17.5	13.375	48		0	470	440						
10/12/06	Int1		12.25	9.625	36		0	2603	1030						

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

DATE 10/18/2006

Type or print name Shirley Pruitt

E-mail address shirleyp@ypcnm.com

Telephone No. 505-748-4356

For State Use Only:

APPROVED BY: Bryan Arrant

TITLE Geologist

DATE 10/18/2006 1:22:37 PM

Drilling Comments

OGRID: [25575] YATES PETROLEUM CORPORATION
Permit Number: 39928
Permit Type: Drilling

Created By	Comment	Comment Date
TINAH	Submitted by Tina Huerta, Regulatory Compliance Supervisor	10/18/2006