<u>District I</u> State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit 59680 Energy, Minerals and Natural Resources Phone:(505) 393-6161 Fax:(505) 393-0720 WELL API NUMBER Oil Conservation Division 1301 W. Grand Ave., Artesia, NM 88210 30-025-37700 Phone:(505) 748-1283 Fax:(505) 748-9720 1220 S. St Francis Dr. Santa Fe, NM 87505 Indicate Type of Lease 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr., Santa Fe, NM 87505 6. State Oil & Gas Lease No. Phone:(505) 476-3470 Fax:(505) 476-3462 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO BIG HAT BKK STATE COM A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 007 1. Type of Well:G 9. OGRID Number 2. Name of Operator VATES PETROLELIM CORPORATION 25575 3. Address of Operator 10. Pool name or Wildcat. 105 S 4TH ST, ARTESIA, NM 88210 4. Well Location 800 1980 W Unit Letter Ν feet from the line and feet from the line 16S 33E NMPM Section Township Range Lea County Elevation (Show whether DR, KB, BT, GR, etc.) 4199 GR Pit or Below-grade Tank Application or Closure __ Depth to Groundwater_ Distance from nearest fresh water well_ Distance from nearest surface water_ Pit Type bbls; Construction Material Pit Liner Thickness: Below-Grade Tank: Volume_ mil Check Appropriate Box to Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WORK ALTER CASING TEMPORARILY ABANDON | CHANGE OF PLANS PLUG AND ABANDON | COMMENCE DRILLING OPNS. | PULL OR ALTER CASING CASING/CEMENT JOB Other Other: Drilling/Cement X 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. 8-14-07 Reamed 20' of 12-1/4" hole to 26" hole. Set 40' of 20" conductor @ 59' and cemented to surface. 8-19-07 RU RT and resumed drilling. 8-20-07 TD 17-1/2" hole to 430'. Set 13-3/8" 48# casing @ 430'. Cemented w/220 sx Class "C" w/additives and tailed in w/210 sx. Cement did not circulate. WOC. Ran temperature survey - TOC @ 160'. Ran 1" and tagged cement @ 160'. Pumped 70 sx Class "C". Ran in w/1" and tagged @ 70". Cemented w/80 sx Class "C". Cement circulated to surface. WOC 23 hrs, 30 mins. Reduced hole to 12-1/4" and resumed drilling.6/20/2007 Spudded well. Casing and Cement Program. Hole Csa Weight Pres Open Fluid Est Dpth Pres Date String Grade Yield Class Type Size Size Ib/ft TOC Set Doth Held Drop Hole 08/20/07 17.5 13.375 48 H40 430 580 160 Surf 0 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 MMOCD guidelines 🗀, a general permit 🗀 or an (attached) alternative OCD-approved plan 🛚 SIGNATURE Electronically Signed TITLE DATE 8/23/2007

E-mail address shirleyp@ypcnm.com

TITLE Geologist

Telephone No. 505-748-4356

DATE 8/27/2007 7:10:57 AM

Type or print name Shirley Pruitt

Paul Kautz

For State Use Only: APPROVED BY: