

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

Form C-103
Permit 75142

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL API NUMBER
30-025-38396

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
MERLE STATE UNIT

8. Well Number
014

9. OGRID Number
25575

10. Pool name or Wildcat

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: O

2. Name of Operator
YATES PETROLEUM CORPORATION

3. Address of Operator
105 S 4TH ST , ARTESIA , NM 88210

4. Well Location
Unit Letter L : 1980 feet from the S line and 660 feet from the W line
Section 13 Township 10S Range 34E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)
4171 GR

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 _____

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.
5/10/08 Resumed drilling at 11:30 AM. Set 11-3/4" 42# H-40 casing at 426'. Cemented with 280 sx Class "C" + 2% CaCl (yld 1.35, wt 14.8). Cement circulated to surface. Tested casing to 600 psi for 30 min. WOC 21 hrs 45 min. Reduced hole to 11" and resumed drilling. 5/6/2008 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
05/10/08	Surf		14.75	11.75	42		0	426	280						

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 5/15/2008
Type or print name Monti Sanders E-mail address montis@ypcnm.com Telephone No. 575-748-4244

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 5/16/2008 8:21:33 AM