

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 20431

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 30-015-34173
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 STATE JM COM
4. Well Location Unit Letter M : 660 feet from the S line and 1050 feet from the W line Section 25 Township 18S Range 24E NMPM Eddy County		8. Well Number 003
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3673 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.

12/8/05 Resumed drilling at 11:30 PM.

12/12/05 Set 9-5/8" 36# J-55 casing at 1215'. Cemented with 180 sx Thixset + 10% A-10 + 1% CaCl2 + .25#/sx Celloflake + 10#/sx LCM (yld 1.50, wt 14.6) and 900 sx 35:65:6 Poz "C" + 25 CaCl2 + .25#/sx Cellophane flakes + 5#/sx LCM (yld 1.98 wt 12.5). Tailed in with 200 sx "C" + 1% CaCl2 (yld 1.34, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi. WOC 28 hrs. Reduced hole to 6-1/4" and resumed drilling.

1/4/06 Reached TD 8851' at 1:00 AM. Set 5-1/2" 17# HCP-110 J-55 LT&C casing at 8851'. Float collar at 8807'. Cemented with 89512/2/2005 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
01/04/06	Prod		8.75	5.5	17		0	8851	1915						

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 Agent

DATE 1/10/2006

Type or print name Debbie Caffall

E-mail address debbiec@ypcnm.com

Telephone No. 505-748-4376

For State Use Only:

APPROVED BY: Bryan Arrant

TITLE Geologist

DATE 1/10/2006 9:24:19 AM