<u>District I</u> State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit24033 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 30-025-37561 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 YARROW BHY STATE (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 001 Type of Well: () 9. OGRID Number 2. Name of Operator YATES PETROLEUM CORPORATION 25575 3. Address of Operator 10. Pool name or Wildcat. 105 S 4TH ST, ARTESIA, NM 88210 4. Well Location Unit Letter 990 feet from the line and feet from the Township 23S Range 33E NMPM Lea County Section 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3672 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 Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WORK ALTER CASING TEMPORARILY ABANDON | CHANGE OF PLANS | COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB Other: Other: Spud 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. 2/20/2006 Spudded well. Spudded well 2-20-06 @ 8:30 a.m. Set 20" conductor @ 40'. Ihereby 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 . TITLE Regulatory Agent SIGNATURE Electronically Signed DATE 2/21/2006 E-mail address debbiec@ypcnm.com

TITLE Geologist

Type or print name Debbie Caffall

Paul Kautz

For State Use Only: APPROVED BY: Telephone No. 505-748-4376

DATE 2/21/2006