

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 39025

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 30-025-37979
1. Type of Well: <input type="radio"/>		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 MERLE STATE UNIT
4. Well Location Unit Letter J : 1980 feet from the S line and 1650 feet from the E line Section 14 Township 10S Range 34E NMPM Lea County		8. Well Number 007
11. Elevation (Show whether DR, KB, BT, GR, etc.) 4178 GR.		9. OGRID Number 25575
10. Pool name or Wildcat		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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.

9-23-06 Spudded well @ 6:00 a.m. Set 40' of conductor. Cemented w/200 sx Class "C".

9-29-06 Resumed drilling. TD 14-3/4" hole to 430'. Set 11-3/4" 42# casing @ 430'. Cemented w/175 sx Class "C". Tailed in w/170 sx. Cement circulated to surface. WOC 18 hrs. Reduced hole to 11" and resumed drilling 9/23/2006 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
09/30/06	Surf		14.75	11.75	42	H40	0	430	345		C				

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 10/4/2006

Type or print name Shirley Pruitt

E-mail address shirleyp@ypcnm.com

Telephone No. 505-748-4356

For State Use Only:

APPROVED BY: Gary Wink

TITLE OCD Reviewer

DATE 10/4/2006 10:57:17 AM