<u>District I</u> State of New Mexico Form C-103 1625 N. French Dr., Hobbs, NM 88240 Permit39786 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 30-015-35098 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 State Oil & Gas Lease No. Phone:(505) 476-3470 Fax:(505) 476-3462 SUNDRY NOTICES AND REPORTS ON WELLS Lease Name or Unit Agreement Name MOSLEY CANYON BIA (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO STATE COM A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 8. Well Number 1. Type of Well:G 001 2. Name of Operator 9. OGRID Number YATES PETROLEUM CORPORATION 25575 Address of Operator 10. Pool name or Wildcat. 105 S 4TH ST, ARTESIA, NM 88210 4. Well Location Unit Letter 1 660 Ν line and 660 feet from the Township 24S Range 25E NMPM Eddy County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3814 GR Pit or Below-grade Tank Application or Closure ___ Distance from nearest surface water___ Pit. Type ______ Depth to Groundwater_____ Distance from nearest fresh water well___ Below-Grade Tank: Volume__ _ mil Pit Liner Thickness:_ 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 X Other: Other: Spud 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. 10/1/2006 Spudded well. 10/1/06 Spudded 26" conductor hole. Set 57' of 20" conductor NOTE: Had to redi-mix cellar before resuming drilling conductor hole. Mike Bratcher (NMOCD) was notified of operations. 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 beenAvill be constructed or closed according to NMOCD guidelines 🗐, a general permit 🦰 or an (attached) alternative OCD-approved plan 🗍 SIGNATURE Electronically Signed TITLE DATE 10/16/2006

TITLE Geologist

Type or print name Shirley Pruitt

Bryan Arrant

For State Use Only: APPROVED BY: E-mail address shirleyp@ypcnm.com Telephone No. 505-748-4356

DATE 10/17/2006

NoticeSpud Comments

OGRID: [25575] YATES PETROLEUM CORPORATION

Permit Number: 39786
Permit Type: NoticeSpud

Created By	Comment	Comment Date
TINAH	Submitted by Tina Huerta, Regulatory Compliance Supervisor	10/16/2006