

District I 1625 N. French Dr., Hobbs, NM 88240
District II 1301 W. Grand Ave., Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

WELL API NO. 30-019-20132
5. Indicate Type of Lease STATE [] FEE [x]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Laverne Ibis BDV
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat Upper Penn

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [] Gas Well [] Other P&A []

2. Name of Operator Yates Petroleum Corporation

3. Address of Operator 105 S. 4th Street, Artesia, NM 88210

4. Well Location Unit Letter P : 990 feet from the South line and 660 feet from the East line Section 24 Township 10N Range 26E NMPM Guadalupe County

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4437'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 PLANS [] PULL OR ALTER CASING [] MULTIPLE COMPL []
OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDON [x] CASING/CEMENT JOB []
OTHER: []

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.

- 6/15/07 - Set a CIBP at 6967' with 35' cement on top. Set a CIBP at 6300'. Circulated plugging mud. Spotted 25 sx cement.
6/18/07 - Perforated at 4881'. Pumped 45 sx cement.
6/19/07 - Tagged at 4224'. Perforated at 3460'. Pumped 45 sx cement.
6/20/07 - Tagged at 3228'. Perforated at 1428'. Pumped 45 sx cement and WOC. Tagged at 1230'. Perforated at 483'. Pumped 45 sx cement and WOC.
6/21/07 - Tagged at 298'.

NOTE: Well turned over to rancher for water well.

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 27, 2007

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only APPROVED BY: Ed Martin TITLE DISTRICT SUPERVISOR DATE 7/9/07
Conditions of Approval (if any):