

Submit 3 Copies To Appropriate District Office
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

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

WELL API NO. 30-015-22889
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3346
7. Lease Name or Unit Agreement Name: Loving AIB State #1
8. Well No. 1
9. Pool name or Wildcat Loving/Brushy Canyon

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>G</u> <u>16</u> : <u>1550'</u> feet from the <u>North</u> line and <u>1780'</u> feet from the <u>East</u> line Section <u>16</u> Township <u>23S</u> Range <u>28E</u> NMPM <u>Eddy</u> County	
10. Elevation (Show whether DR, RKB, RT, GR, etc.)	

11. 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 COMPLETION ☐
OTHER: Surface/Pool Commingle. ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. 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.

Yates Petroleum Corporation respectfully request administrative approval to Surface/Pool Commingle the following wells;

STATE Loving AIB State #1 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-22889	STATE Loving AIB State #2 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-26497	STATE Loving AIB State #4 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-34732	STATE Loving AIB State #5 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-34733
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STATE Loving AIB State #7 Sec 16-T23S-R28E Culebra Bluff, Bone Spring, South Eddy County, NM State Lease # V-3346 API# 30-015-37126	STATE Loving AIB State #15 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-35437	STATE Loving AIB State #16 Sec 16-T23S-R28E Loving/Brushy Canyon Eddy County, NM State Lease # V-3346 API# 30-015-35449
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PC-1227
Recommend Approval by [Signature] 11/03/10
I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Mayte Reyes TITLE Production Secretary DATE September 20, 2010

Type or print name Mayte Reyes Telephone No. (505) 748-4213

(This space for State use)

* APPROVED BY [Signature] TITLE Div. Director DATE 11/3/10
Conditions of approval, if any: