

NM OIL CONSERVATION
 Division of Minerals and Natural Resources
 DISTRICT II - ARTESIA DISTRICT
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

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

WELL API NO. 30-015-42315
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. VB-1667
7. Lease Name or Unit Agreement Name Colossal BUO State
8. Well Number 2H
9. OGRID Number 025575
10. Pool name or Wildcat Undesignated; 2 nd Bone Spring Sand

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 ☐	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>200</u> feet from the <u>East</u> line Unit Letter <u>M</u> : <u>660</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>West</u> line Section <u>32</u> Township <u>23S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,230' GR	

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 ☐
 DOWNHOLE COMMINGLE ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS: ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 OTHER: 5' new hole ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/11/15 - Made 5' new hole. TD 75'. Hole size 20".

Note: Set and cemented a 30" culvert with locking device on 6/17/14.

Spud Date:

5/29/14

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE February 12, 2015

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

Accepted for record

APPROVED BY: NMOC TITLEDATE 2/18/2015

Conditions of Approval (if any):

* See Attached COA

Permit Conditions of Approval

API: 30-015-42315

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string