

District I  
625 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.  
30-015-36421  
5. Indicate Type of Lease  
STATE ☒ FEE ☐  
6. State Oil & Gas Lease No.  
V-5604

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  
Surf-Unit Letter I : 2130 feet from the South line and 150 feet from the East line  
BHL-Unit Letter L : 2270 feet from the South line and 330 feet from the West line  
Section 17 Township 16S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3563'GR

7. Lease Name or Unit Agreement Name  
Junior AWW State

8. Well Number  
4H

9. OGRID Number  
025575

10. Pool name or Wildcat  
Wildcat; Wolfcamp

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Spud, Surface and Intermediate casing ☒

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.

9/24/08 - Spudded well at 12:00 PM. Set 40' of 20" conductor and cemented to surface with redi-mix.

9/27/08 - Resumed drilling at 2:00 PM.

9/29/08 - TD 17-1/2" hole and set 13-3/8" 48# H-40 casing at 415'. Cemented with 100 sx "H" Thixad + 0.125#/sx D130 + 2#/sx D42 (yld 1.63, wt 14.2) and 165 sx Class "C" + 4% C20 + 2% D46 + 2% S1 (yld 1.97 wt 12.9). Tailed in with 200 sx Class "C" + 2% S1 (yld 1.34, wt 14.8). Cement did not circulate. Ran 1" cement to surface with 108 sx, cement fell back. Ran another 1" cement to surface with 73 sx. Tested casing to 600 psi. WOC 39 hrs 35 min. Reduced hole to 11" and resumed drilling.

10/2/08 - TD 11" hole and set 8-5/8" 24# J-55 casing at 1879'. Cemented with 275 sx 50/50 Poz + 0.125#/sx D130 + 10% D20 + 2#/sx D42 + 0.2% D46 + 5% D44 (yld 2.47, wt 11.9). Tailed in with 200 sx Class "C" + 1% S1 (yld 1.34, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 22 hrs 30 min. Reduced hole to 7-7/8" and resumed drilling.

ACCEPTED FOR RECORD

Spud Date: 9/24/08

Rig Release Date: OCT 15 2008

I hereby certify that the information above is true and complete to the best of my knowledge and belief. Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE October 14, 2008

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com PHONE: 575-748-4168

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APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):