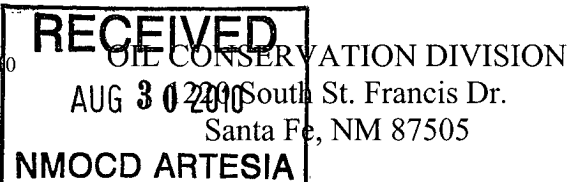


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505



WELL API NO. 30-015-37061
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4129
7. Lease Name or Unit Agreement Name Crow ASM State Com
8. Well Number 2H
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Abo

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
Surface A : 1100 feet from the North line and 480 feet from the East line
BHL D : 350 feet from the North Line and 330 feet from the West line
Section 32 Township 16S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3550'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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Surface, Intermediate 1 & 2 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

8/10/10 – Resumed drilling at 7:00 PM.

8/11/10 – TD 17-1/2" hole to 423'. Set 13-3/8" 48# H-40 ST&C casing at 380'. Cemented with 200 sx Premium Plus "C" + 94# Poly-E-Flake + 2% CaCl (yld 1.35, wt 14.8). Tailed in with 200 sx Premium Plus "C" + 2% CaCl (yld 1.35, wt 14.8). Circulated 21 sx to pit. Tested casing to 1200 psi for 30 min. NOTE: Notified NMOC D via voicemail of intent to run 13-3/8" casing, encountered salt section at 385' – Set 13-3/8" casing at 380'. WOC 21 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

8/13/10 – TD 12-1/4" hole to 1981'. Set 9-5/8" 36# J-55 ST&C casing at 1977'. Cemented with 525 sx Premium Plus + 4% Bentonite + 3# Gilsonite + 0.125# Poly-E-Flake + 2% CaCl (yld 1.75, wt 13.5). Tailed in with 200 sx Premium Plus "C" + 2% CaCl (yld 1.35, wt 14.8). Circulated 102 sx to pit. Tested casing to 1500 psi, Ok. WOC 19 hrs 10 min. Reduced hole to 8-3/4" and resumed drilling. NOTE: Notified Randy Dade of NMOC D that cement fell back on 9-5/8" casing, advised to redi-mix.

8/18/10 – TD 8-3/4" hole to 5980'. Set 7" 26# HPC-110 LT&C casing at 5979'. Cemented with 400 sx Interfill + 3# Gilsonite + 0.5% Halad-R 9 + 0.125# Poly-E-Flake (yld 2.43, wt 11.9). Tailed in with 200 sx PB Super "H" + 0.4% CFR-3 + 3# Gilsonite + 0.5% Halad-R 344 + 0.125# Poly-E-Flake (yld 1.59, wt 13.2). Circulated 56 sx to pit. Tested casing to 1500 psi, Ok. WOC 18 hrs. Reduced hole to 6-1/8" and resumed drilling.

Spud Date: 8/6/10

Rig Release Date:

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE August 25, 2010

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

For State Use Only

APPROVED BY: David Gray TITLE Field Supervisor DATE 9-24-10

Conditions of Approval (if any):

cx