

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

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"/>					WELL API NO. 30-015-38082				
2. Name of Operator Yates Petroleum Corporation					5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>				
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210					6. State Oil & Gas Lease No. VO-7638				
4. Well Location Surface B : 200 feet from the North line and 2130 feet from the East line BHL B : 330 feet from the North Line and 2130 feet from the East line Surface - Section 25 Township 26S Range 27E NMPM Eddy County BHL - Section 24 Township 26S Range 27E NMPM Eddy County					7. Lease Name or Unit Agreement Name Cassiopeia BQD State Com				
					8. Well Number 1H				
					9. OGRID Number 025575				
					10. Pool name or Wildcat Hay Hollow; Bone Spring				
					11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3095'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 ☐

OTHER: ☐

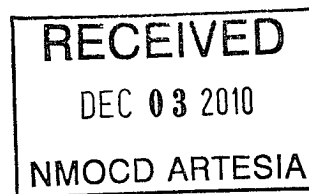
SUBSEQUENT REPORT OF:

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

OTHER: Spud ☒

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.

11/17/10 – Spudded 26” conductor hole at 10:30 AM. Set 80’ of 20” conductor and cemented to surface with redi-mix.



Spud Date: 11/17/10

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 November 27, 2010

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

For State Use Only

APPROVED BY David Day TITLE Field Supervisor DATE 12-6-2010  
Conditions of Approval (if any):

Cox