| Office Sebmit 3 Copies To Appropriate District                       | State of New Mo                           | exico                 |                         | Form C-103             |
|--|---|-----------------------|-------------------------|------------------------|
| District 1   | Energy, Minerals and Natural Resources    |                       | Revised March 25, 1999  |                        |
| 1625 N. French Dr., Hobbs NM 88240                                   | 25 N. French Dr., Hobbs NM 88240          |                       | WELL API NO.            |                        |
| <u>District II</u><br>811 South First, Artesia, NM 88210             | Artesia NM 8210 OIL CONSERVATION DIVISION |                       | 30-015-31055            |                        |
| District III   | 1220 South St. Francis Dr. JUL - 5        |                       | 5 Indicate Type STATE   | of Lease               |
| 1000 Rio Brazos Rd., Aziec, NM-87410                                 | Santa Fe, NM 8'                           |                       |                         |                        |
| District IV<br>1220 S. St. Francis Dr. Santaffe, NM                  |   | OCD-AR                | TESIA ate Oil & C       | ias Lease No.          |
| 87505  |   |                       | B-10/16-1               |                        |
|  | CES AND REPORTS ON WELLS                  |                       | 7. Lease Name or        | r Unit Agreement Name: |
| (DO NOT USE THIS FORM FOR PROPOS. DIFFERENT RESERVOIR. USE "APPLIC." |   |                       |                         |                        |
| PROPOSALS.)  | THOM I SHELL LINE (FOREIGN STORY)         |                       | Telescope 28            | State Com              |
| 1. Type of Well:   |   |                       |                         |                        |
| Oil Well Gas Well X  | Other                                     |                       |                         |                        |
| 2. Name of Operator  | •   |                       | 8. Well No.             |                        |
| Yates Drilling Company   |   |                       | 1                       |                        |
| 3. Address of Operator   |   |                       | 9. Pool name or Wildcat |                        |
| 105 South 4th St., Artesia, NM 88210                                 |   |                       | Winchester Morrow       |                        |
| 4. Well Location   |   |                       |                         |                        |
|  |   | 1.450                 | . –                     |                        |
| Unit Letter <u>G: 1980</u>   | feet from the N line an                   | d <u>1650</u> feet fr | om the                  | line                   |
| 0.00   |   | 407                   | D. (7)                  | -l ~                   |
| Section 28   | Township 19S Range                        |                       | VMPM Ed                 | dy County              |
| 4.2  | 10. Elevation (Show whether D.            |                       | i.)                     | 100 E. 2 1 100         |
|  | 3384                                      |                       |                         |                        |
|  | ppropriate Box to Indicate N              |                       |                         |                        |
| NOTICE OF INT  | FENTION TO:                               | SUB                   | SEQUENT RE              |                        |
| PERFORM REMEDIAL WORK  | PLUG AND ABANDON                          | REMEDIAL WOR          | к П                     | ALTERING               |
| - Ett ottil temes i te trotte  |   |                       |                         | CASING                 |
| TEMPORARILY ABANDON  | CHANGE PLANS                              | COMMENCE DRI          | LLING OPNS.             | PLUG AND ABANDONMENT X |
|  | MULTIPLE                                  | CASING TEST AN        |                         | ABANDONWENTA           |
| PULL OR ALTER CASING   | COMPLETION                                | CEMENT JOB            |                         |                        |
|  |   |                       |                         |                        |
| OTHER:   |   | OTHER:                |                         |                        |
| Describe proposed or completed op                                    |   |                       |                         |                        |
| starting any proposed work). SEE R                                   | RULE 1103. For Multiple Comple            | tions: Attach wellb   | ore diagram of prop     | posed completion or    |
| recompletion   |   |                       |                         |                        |
| See attachment.  |   |                       |                         |                        |
|  |   |                       |                         |                        |
|  |   |                       | * *                     |                        |
|  |   | Diametra at           | the mail bear           |                        |
|  |   | • •                   | the well bore.          |                        |
|  |   |                       | er bond is ret          | ained                  |
|  |   |                       | restoration,            |                        |
|  |   |                       | tal remediation         |                        |
| <b>4</b>   |   | final inspec          | tion is comple          | ted.                   |
| ř  |   |                       |                         |                        |
|  |   |                       |                         |                        |
| I hereby certify that the information                                | above is true and complete to the         | heet of my knowled    | ge and helief           |                        |
| Thereby certify that the information                                 | above is true and complete to the         | desi of my knowied    | ge and bener.           |                        |
| SIGNATURE Kapen 9  | Leading TITLE Open                        | ations Tech           | DATE 3/28               | 8/2007                 |
| SIGNATURE  | THE OPEN                                  | anoris recit          | DATE 0/20               | <u> </u>               |
| Type or print name Karen J.  | . Leishman                                | Telephone N           | lo. 505-748-8663        |                        |
| (This space for State use)   |   |                       |                         |                        |
| Geny Guye  |   |                       |                         |                        |
| APPPROVED BY   | TITLE                                     | Deputy Field          |                         |                        |
| Conditions of approval, if any:                                      |   | District II -         | Arresid                 |                        |
|  |   |                       |                         |                        |

Sundry Attachment Telescope 28 State Com #1 1980' FNL & 1650' FEL Section 28-19S-28E Eddy County, NM 30-015-31055

| 3/14/2007 | Notified Phil Hawkins, NMOCD of plugging procedure.                        |
|-----------|--|
| 317/2007  | RIH and set CIBP at 10,824' (approved by Phil Hawkins, NMOCD).             |
|           | Tagged CIBP at 10,824' and circulated hole with 10# mud. Spotted 25 sxs    |
|           | cement plug from 10,824'-10,621'.  |
| 3/20/2007 | Set CIBP at 8350'.   |
| 3/21/2007 | Dumped 50' cement on top of CIBP. Pulled 120 jts 5 ½" csg.                 |
| 3/22/2007 | Pulled 49 jts 5 ½" csg (total csg pulled 169 jts.). RIH and circ hole with |
|           | 10# mud. Spotted 30 sxs cement plug. WOC 2 hrs. Tagged cement at           |
|           | 6910'.   |
|           | Spotted 30 sxs cement plug at 5250'.                                       |
| 3/23/2007 | Tagged plug at 5102'. Spotted 50 sxs cement with 2% CaCl2. WOC.            |
|           | Tagged plug at 3005'. Circ hole with 10# mud.                              |
| 3/24/2007 | Spotted 30 sxs cement plug at 799'. WOC. Tagged plug at 690'. Spotted      |
|           | 30 sxs cement plug at 596'. Tagged plug at 480'. Spotted 30 sxs cement     |
|           | plug at 450'.  |
| 3/27/2007 | Tagged cement at 340'. Pumped 20 sxs cement from 64' to surface. Cut       |
|           | anchors and installed dry hole marker.                                     |