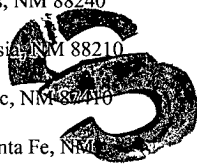


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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

WELL API NO. 30-015-35098
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2516
7. Lease Name or Unit Agreement Name Mosley Canyon BIA State Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Mosley Canyon; Strawn

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 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter A : 660 feet from the North line and 660 feet from the East line
Section 5 Township 24S Range 25E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3814'GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: Squeeze Wolfcamp and recomplete to Strawn <input checked="" type="checkbox"/></p>
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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.

8/21/07 – Set a 7" 26# cement retainer at 9415'. Squeeze Wolfcamp 9470'-9482' with 100 sx Class "H" with .4 C-16A (fluid loss) and 100 sx Class "H" Neat. Pumped a total of 150 sx cement into formation. Squeezed off at 3900 psi, good squeeze. Circulated hole clean.

8/22/07 – Drilled cement retainer from 9415'-9418'. Circulated hole clean.

8/23/07 – Drilled retainer and cement from 9418'-9485'. Tested squeeze holes 9470'-9482' to 1500 psi, held good.

8/26/07 – Perforate Strawn 9658'-9664' (14), 9668'-9698' (62) and 9744'-9764' (42). Set 7" 26# AS-1 packer with 2.25" on/off tool at 9559'. Acidize with 5600g 15% NEFE acid with 125 ball sealers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE September 12, 2007

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only **FOR RECORDS ONLY**

APPROVED BY: _____ TITLE _____ DATE SEP 17 2007

Conditions of Approval (if any):