

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
June 19, 2008

<p>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)</p>		<p>WELL API NO. 30-005-63550</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> RE-SUBMIT</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. VA-2034</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Gasby BCD State Com</p>
<p>4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>20</u> Township <u>10S</u> Range <u>27E</u> NMPM <u>Chaves</u> County</p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3788'GR</p>		<p>9. OGRID Number 025575</p>
<p>10. Pool name or Wildcat Comanche Spring; Pre-Permian</p>		

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: ☐

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.

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. Rig up safety equipment as needed. No casing recovery will be attempted.
2. Set a CIBP at 6389' with 35' cement on top. This puts a plug over the Silurian perforations.
3. Set a CIBP at 6262' with 35' cement on top. This puts a plug over the Strawn perforations.
4. Set a CIBP at 5428' with 35' cement on top. This puts a plug over the Wolfcamp.
5. Spot a 25 sx Class "C" cement plug from 4734'-4834'. This puts a 100' plug across the top of the Abo. WOC and tag plug.
6. Perforate and spot a 40 sx Class "C" cement plug from 2442'-2542'. This puts a 100' plug across the top of the Glorieta, inside and outside casing. WOC and tag plug.
7. Perforate and spot a 65 sx Class "C" cement plug from 576'-676'. This puts a 100' plug across the surface casing shoe, inside and outside casing. WOC and tag plug.
8. Perforate and spot a 30 sx Class "C" cement plug from 60' up to the surface, inside and outside casing.
9. Remove all surface equipment, weld dry hole marker and clean location as per regulations.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

**Notify OCD 24 hrs. prior
To any work done.**

Approval Granted providing work
is complete by 3/6/09

Spud Date:

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 December 30, 2008

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

For State Use Only

APPROVED BY: [Signature] TITLE Carlyne yll DATE 1/6/09

Conditions of Approval (if any):