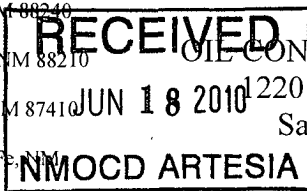


Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008



| |
|---|
| WELL API NO. 30-015-36499 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VB-827 & VO-5867 |
| 7. Lease Name or Unit Agreement Name Perdomo BMP State Com |
| 8. Well Number 1H |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Wildcat |

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 L : 1650 feet from the South line and 660 feet from the West line
BHL I : 1650 feet from the South line and 330 feet from the East line
Section 24 Township 24S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3149'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: Production ☒

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.

5/10/10 – Reached TVD 8600' at 2:45 PM. Cement isolation plug #1 with 180 sx Class "H" cement with additives from 6789'-7089'. Cement plug #2 with 350 sx Class "H" with additives from 5654'-6053'. WOC. Tagged cement at 5645'. KOP at 5437' and continued to drill directionally.

5/20/10 – Reached TMD 12,797' at 2:00 AM.

5/21/10 – Set 5-1/2" 17# HCP-110 L-80 LT&C casing at 12,797'. Cemented stage 1 with 1260 sx PVL + 75#/sx D049 + 0.45#/sx D065 + 0.75#/sx D112 + 22.5#/sx D151 + 1.5#/sx D174 + 0.225#/sx D800 + 0.15#/sx D46 (yld 1.83, wt 13). Circulated cement on 1st stage. Open DV tool at 5719' and break circulation. Cemented stage 2 with 750 sx Class 35:65:6 Poz "C" + 5.325#/sx D020 + 2.0#/sx D042 + 0.887#/sx D112 + 0.125#/sx D130 + 27.65#/sx D132 + 4.77#/sx D44 + 61.1#/sx D903 + 0.177#/sx D46 (yld 2.19, wt 12.6). Cement did not circulate on 2nd stage.

Spud Date:

8/1/08

Rig Release Date:

5/23/10

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 June 15, 2010

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

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 6/30/2010

Conditions of Approval (if any):