

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 87412
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OGD
OCT 27 2011
RECEIVED

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

WELL API NO. 30-025-39985 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No. VO-6160
7. Lease Name or Unit Agreement Name Milsap BRA State
8. Well Number 4 ✓
9. OGRID Number 025575 ✓
10. Pool name or Wildcat Hightower; Devonian <i>Permo Penn</i>

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
Unit Letter J : 2310 feet from the South line and 1980 feet from the East line
Section 25 Township 12S Range 33E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4227' GR

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

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

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

OTHER:

OTHER: 5' new hole

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.

10/19/11 – Made 5' new hole at 10:45 AM. TD 85'. Hole size 12-1/4". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

NOTE: Conductor with locking cap was set 2/21/11. According to surface waters map the estimated top of fresh water could be approximately 70'. At present, water has not been recorded in this wellbore.

Spud Date: 12/27/10

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 October 25, 2011

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

For State Use Only

APPROVED BY: *[Signature]* TITLE State Reg DATE 10-27-2011
Conditions of Approval (if any):