

Submit 1 Copy To Appropriate District  
Office  
District I - (575) 393-6161  
1625 N French Dr, Hobbs, NM 88240  
District II - (575) 748-1283  
811 S First St, Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103

Revised August 1, 2011

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

JAN 25 2012

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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)		WELL API NO. 30-025-40058
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-0870
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Orion BQO State
4. Well Location Unit Letter <u>O</u> : <u>660</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>36</u> Township <u>17S</u> Range <u>35E</u> NMPM Lea County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3892'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; Delaware

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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.

1/23/12 - Made 5' new hole at 9:15 AM. TD 95'. Hole size 12-1/4". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

NOTE: Conductor with locking cap was set 3/17/11. According to surface waters map the estimated top of fresh water could be approximately 51-58'. At present, water has not been recorded in this wellbore.

Spud Date:

3/1/11

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

January 24, 2012

Type or print name

Tina Huerta

E-mail address:

tinah@yatespetroleum.com

PHONE:

575-748-4168

For State Use Only

APPROVED

BY:

*Mary Brown*

TITLE

Compliance Officer

DATE

1/25/2012

Conditions of Approval (if any):

JAN 26 2012