

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 OED  
OCT 29 2012  
RECEIVED

CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-025-39712                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>VO-7379                                                             |
| 7. Lease Name or Unit Agreement Name<br>Orange Raider BPV State                                     |
| 8. Well Number<br>1H                                                                                |
| 9. OGRID Number<br>025575                                                                           |
| 10. Pool name or Wildcat<br>Red Hills; Bone Spring, East                                            |

|                                                                                                                                                                                                                                       |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>                                                                                                        |  |
| 2. Name of Operator<br>Yates Petroleum Corporation                                                                                                                                                                                    |  |
| 3. Address of Operator<br>105 South Fourth Street, Artesia, NM 88210                                                                                                                                                                  |  |
| 4. Well Location<br>Unit Letter M : 330 feet from the South line and 660 feet from the West line<br>Unit Letter D : 330 feet from the North line and 660 feet from the West line<br>Section 35 Township 24S Range 34E NMPM Lea County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3389'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: 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.

10/22/12 - Made 5' new hole at 12:00 Noon. TD 255'. Hole size 10". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

NOTE: Conductor with locking cap was set 3/2/11. Based on surface waters map the estimated top of fresh water is 220'. At present, water has not been recorded in this wellbore.

Spud Date:

4/1/10

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 Reporting Supervisor DATE October 25, 2012

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

For State Use Only

APPROVED

BY: E. Gonzalez TITLE Dist. MGR

DATE 10-29-2012

Conditions of Approval (if any):

OCT 29 2012