

HOBBS OCD

SEP 18 2013

Submit One Copy To Appropriate District Office

State of New Mexico

Form C-103

District I
1625 N. French Dr., Hobbs, NM 88240

RECEIVED

Energy, Minerals and Natural Resources

March 18, 2009

District II
1301 W. Grand Ave., Artesia, NM 88210

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

WELL API NO
30-025-37700

5. Indicate Type of Lease
STATE X FEE

6. State Oil & Gas Lease No.
V-6132

7. Lease Name or Unit Agreement Name
Big Hat BKK State

8. Well Number
7

9. OGRID Number
025575

10. Pool name or Wildcat
Hume; Queen, West

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 PA

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter C : 880 feet from the North line and 1980 feet from the West line
Section 11 Township 16S Range 33E NMPM Lea County

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

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
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

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

OTHER:

Location is ready for OCD inspection after P&A

- All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.
- Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- All other environmental concerns have been addressed as per OCD rules.
- Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE A. Trujillo TITLE Environmental Scientist DATE 9/16/13

TYPE OR PRINT NAME Amanda Trujillo E-MAIL: atrujillo@yatespetroleum.com PHONE: (505) 748-1471

APPROVED BY: Mary Brown TITLE Compliance Officer DATE 9/19/2013

Conditions of Approval (if any):

SEP 23 2013