

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88401

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

HOBBS OGD JUN 17 2014 RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-41458
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1519
7. Lease Name or Unit Agreement Name Tour BUS State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Ojo Chiseo; Bone Spring

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 N : 200 feet from the South line and 2180 feet from the West line
Unit Letter C : 330 feet from the North line and 1980 feet from the West line
Section 23 Township 22S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,433 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
- CLOSED-LOOP SYSTEM
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- OTHER: 5' new hole
- ALTERING CASING
- P AND A

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.

6/13/14 - Made 5' new hole. TD 65'. Hole size 20". Notified Maxey Brown NMOCD-Hobbs of operations via email.

Spud Date: 11/1/13

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE June 16, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

APPROVED BY: MSB 6/17/2014 DATE

Conditions of Approval (if any):

JUN 17 2014