

Submit 3 Copies To Appropriate District Office  
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 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

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

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-025-36581                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>VA-1991                                                             |
| 7. Lease Name or Unit Agreement Name<br>Merle State Unit                                            |
| 8. Well Number<br>1                                                                                 |
| 9. OGRID Number<br>025575                                                                           |
| 10. Pool name or Wildcat<br>Wildcat Atoka                                                           |

|                                                                                                                                                                                                                 |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>                                                                                  |  |
| 2. Name of Operator<br>Yates Petroleum Corporation                                                                                                                                                              |  |
| 3. Address of Operator<br>105 S. 4 <sup>th</sup> Street, Artesia, NM 88210                                                                                                                                      |  |
| 4. Well Location<br>Unit Letter <u>O</u> : <u>1250</u> feet from the <u>South</u> line and <u>1650</u> feet from the <u>East</u> line<br>Section <u>13</u> Township <u>10S</u> Range <u>34E</u> NMPM Lea County |  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>4158' GR                                                                                                                                                  |  |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>                                                                                                                |  |
| Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____                                                                                |  |
| Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____                                                                                                                 |  |

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

|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>OTHER: <input type="checkbox"/> | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>OTHER: <input checked="" type="checkbox"/> Perforating |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

10-18-05 Set 5-1/2" CIBP @ 11880'. Perforated Atoka 11728-40' (72).  
10-20-05 Acidized w/750 gal 7-1/2% MSA.  
10-24-05 Set 5-1/2" CIBP @ 11700'. Perforated Atoka 11571-75' (24) and 11580-87' (42) for total of 66.42" holes.  
10-26-05 Set 5-1/2" CIBP @ 11550' and capped w/35' cement.  
10-27-05 Perforated Strawn 11214-36' w/132.42" holes.  
10-28-05 Acidized Strawn w/2000 gal 7-1/2% Morrow acid w/150 balls.  
10-31-05 Set CIBP @ 11200'.  
11-1-05 Dumped 35' cement on CIBP @ 11200'. Perforated Bough 9935-43' (16)  
11-4-05 Acidized Bough w/1500 gal 15% NEFE acid w/20 ball sealers.

Waiting on further evaluation.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 2-23-06

Type or print name Stormi Davis E-mail address: stormid@ypcnm.com Telephone No. 505-748-1471

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAR 24 2006  
Conditions of Approval (if any):