

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. 30-025-37911
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1946
7. Lease Name or Unit Agreement Name Merle State Unit
8. Well Number 5
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat Wolfcamp
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4168' GR

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 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter A : 330 feet from the North line and 330 feet from the East line
Section 23 Township 10S Range 34E NMPM Lea County

Pit or Below-grade Tank Application ☐ or Closure ☐

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Sidetrack Well ☒

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.

7-19-06 Drilled 12-1/4" hole to 2223'. Stuck pipe.

7-21-06 Reaming. Backed off drill pipe @ 1645'. TOO H and laid down 1 joint drill pipe. PU jars and collars. Washed to fish. Screwed into fish and jar. RU wireline and freepoint @ 1645'. TOO H and laid down 9 joints drill pipe and fishing tools. TIH w/12-1/4" bit to top of fish.

7-22-06 Reamed to top of fish @ 1618'. Engaged overshot into fish. Lost fish. Laid down jars and overshot.

7-23-06 TIH w/12-1/4" bit and found top of fish @ 1636'. Latched onto fish w/overshot. Jar on fish. Could not get past top of fish. Laid down fishing tools. PU 10-1/2" concave mill to dress off top of fish. After milling, top of fish @ 1623'.

7-25-06 Milled fish off to 1635'. Laid down mill. TIH w/overshot and jarring assembly. Tried to work overshot onto fish. RUWL and RIH w/spudder bar. Could not get below 1652'. First break on fish @ 1664'. RU and run gauge tool. Could not get 2-1/4" tools below 1446'. RD. Pulled off fish. Laid down fishing tools.

7-26-06 TIH open-ended and pumped 524 sx "H" w/CaCl. TOC @ 1335'. WOC.

7-27-06 TIH and tagged @ 1288'. TIH to 1609' and set cement plug w/522 sx "H" w/additives. WOC. Tagged @ 1271'. Pulled up to 1189' and circulated.

7-29-06 Drilled to 1334'. Good cement for kickoff. Sidetrack well @ 1334'.

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 8-16-06

Type or print name Stormi Davis E-mail address: _____ Telephone No. 505-748-1471

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 29 2006

Conditions of Approval (if any): _____