

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. 30-015-35054
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. L-3757
7. Lease Name or Unit Agreement Name Wisetail State Com
8. Well Number #2
9. OGRID Number 025513
10. Pool name or Wildcat Red Lake Atoka/Morrow

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 Drilling Company

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

4. Well Location
Unit Letter I : 1980 feet from the South line and 990 feet from the East line
Section 24 Township 18S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3570'

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.X ☐ PLUG AND ABANDON ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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.

9/28/2006 Spud 20" hole at 3:00 PM, 9/28/2006.
9/30/2006 Moved in rotary tools and resumed drilling at 5:00 PM, 9/30/2006.
10/02/2006 TD 431'. Ran 10 jts. 13 3/8", 48#, H-40 ST&C casing, set at 431'. Ran Texas Pattern Guide Shoe, set at 431' and Insert Float, set at 387.14'. Cemented with 3 sxs GW Frac Gel and Lead w/ 180 sxs Class "H" + 10% A-10 + 10# LCM-1+ 1% CaCl2 + 0.25lb/sx CF (yld 1.52, wt 14.6#) 2nd Lead w/ 150 sxs Class "C" BJ Lite (35:65:6) + 2% CaCl2 + 0.25lbs/sx CF (yld 1.97, wt 12.5#). Tailed in w/ 200 sxs Class "C" + 2% CaCl2 (yld 1.34, wt 14.8#). Circulated 120 sxs. Plugged down at 10:35 AM, 10/1/2006. WOC 23 hrs. NU and tested 1000 psi for 30 mins. Reduced hole to 12 1/4" hole and resumed drilling.

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 NMOC guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Karen J. Leishman TITLE Operations Tech DATE 10/6/06

Type or print name Karen Leishman E-mail address: karenl@ypcnm.com Telephone No. 505-748-8663

For State Use Only

FOR RECORDS ONLY

APPROVED BY: _____ TITLE _____ DATE OCT 11 2006

Conditions of Approval (if any):