Submit 3 Copies To Appropriate District Form C-103 State of New Mexico Office May 27, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-015-35054 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE x FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 L-3757 7. Lease Name or Unit Agreement Name 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 Wisetail State Com PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well X Other #2 9. OGRID Number 2. Name of Operator Yates Drilling Company 025513 3. Address of Operator 10. Pool name or Wildcat 105 S. 4th Street, Artesia, NM 88210 Red Lake Atoka/Morrow 4. Well Location 990 Unit Letter 1980 feet from the South line and feet from the East line 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 Below-Grade Tank: Volume _bbls; Construction Material Pit Liner Thickness: _ 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON REMEDIAL WORK ALTERING CASING □ TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING MULTIPLE COMPL **CASING/CEMENT JOB** OTHER: 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. 10/6/2006 TD 2507'. Ran 58 jts. 9 5/8", 36#, J-55 LT&C casing, set at 2507. Set Regular Float Shoe Guide at 2507', and Float Collar at 2462.59'. Cemented with 700 sxs BJ Lite Class "C" (35:65:6) + 1% CaCl2 + 0.25lbs/sx CF + 5lbs/sx LCM-1 (yld 1.96, wt 12.5#). Tailed in w/ 200 sxs Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). Plugged down at 5:00 PM, 10/5/2006. Circulated 95 sxs to pit. Bumped plug to 100 psi, held OK. WOC 23.25 hrs. Reduced hole to 8 3/4" and resumed drilling. NOTE: Notified Mike Braswell, NMOCD, of casing and cement, did not witness I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further ce grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative

Leighmen TITLE Operations Tech DATE 10/17/06 SIGNATURE Type or print name Karen Leishman E-mail address: _karenl@ypcnm.com Telephone No. 505-748-8663 For State Use Only Accepted for record - NMOCD TITLE APPROVED BY:

Conditions of Approval (if any):