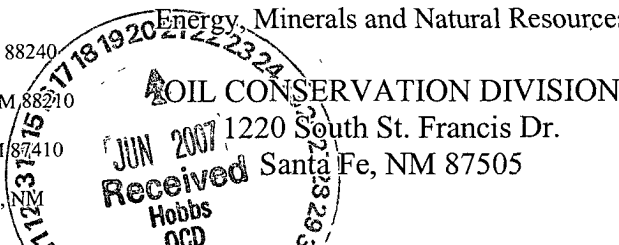


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505



WELL API NO. 30-025-38253
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1944
7. Lease Name or Unit Agreement Name Merle State Unit
8. Well Number 10
9. OGRID Number 25575
10. Pool name or Wildcat Wildcat Wolfcamp

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. 4<sup>th</sup> Street, Artesia, NM 88210

4. Well Location  
Unit Letter M : 330 feet from the South line and 330 feet from the West line  
Section 14 Township 10S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4189'

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. ☐ 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.

Yates Petroleum Corporation respectfully requests permission to bring the top of cement for the production casing up to 500' above the highest perforations for this well per conversation between Al Springer, Yates Petroleum Corp. and Chris Williams, Hobbs OCD.

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 Jeremiah Mullen TITLE Drilling Engineer Assistant DATE June 18, 2007

Type or print name Jeremiah Mullen E-mail address: jmullen@ypcnm.com Telephone No. 505-748-4378

For State Use Only

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

JUN 22 2007

APPROVED BY: Chris Williams TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any): For the purposes of testing the well so if it proves non-productive the casing can be pulled.