

Office

Energy, Minerals and Natural Resources

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM 88201

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

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

AUG - 1 2008

HOBBS OCD

WELL API NO.

30-025-36713

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-6057

7. Lease Name or Unit Agreement Name

Dolly BER State Com

8. Well Number

1

9. OGRID Number

025575

10. Pool name or Wildcat

Und. Sand Springs; Atoka-Morrow

Sand Springs; Mississippian

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 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter M : 660 feet from the South line and 660 feet from the West line

Section 34 Township 10S Range 34E NMPM Lea County

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

4201'GR

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 ☐DOWNHOLE COMMINGLE ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: Work Over ☒

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.

7/17/08 Tagged RBP @ 6466'. Set cement retainer @ 4850'.

7/18/08 thru 7/20/08 Squeezed San Andres perfs 4889-4960' w/88 sx of Class C cement to 2100#.

7/22/08 Released RBP.

7/23/08 Drilled out CIBP @ 12030'.

7/24/08 Drilled out 2nd CIBP @ 12,225'. Pushed down to 12,440'. Circulated clean. Set 5-1/2" ASI pkr w/2.25" on/off tool & 2-7/8" tbg @ 11,995'.

Well is back to original Und. Sand Springs Atoka-Morrow and Sand Springs Mississippian. (DHC-3341)

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE July 31, 2008Type or print name Allison Barton E-mail address: abarton@ypcnm.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE AUG 12 2008

Conditions of Approval (if any):