

RECEIVED

SEP 10 2008
HOBBS OCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-39003 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> ✓
6. State Oil & Gas Lease No. VO-6845
7. Lease Name or Unit Agreement Name Parton BGY State ✓
8. Well Number 2 ✓
9. OGRID Number 025575 ✓
10. Pool name or Wildcat X-4 Ranch; Mississippian, West ✓

<p>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.)</p>	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation ✓	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Section <u>8</u> Township <u>10S</u> Range <u>34E</u> NMPM Lea County ✓	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4232' 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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER:

Production Casing

☒

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.

8/28/08 Reached TD 12,500' @ 9:15 a.m.

8/30/08 Set 5-1/2" 17# L-80, J-55 & HCP-110 csg @ 12,500'. Float collar @ 12,455'. Cemented w/600 sx 50/50 Poz + 10% Bentonite + 0.5% FL-25 + 0.2% R-21 (yld 2.51, wt 11.5). Tailed in w/500 sx Premium Plus "C" + 0.6% FL-25 + 0.6% FL-52 + 3#/sx LCM-1 + 0.2% R-21 + 4% Sodium Chloride + 0.2% SMS (yld 1.63, wt 13.2).

Spud Date:

7/18/08

Rig Release Date:

8/31/08

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 9/05/08

Type or print name Allison Barton E-mail address: abarton@ypcnm.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 12 2008

Conditions of Approval (if any):