

RECEIVED
SEP 18 2008
HOBBS NM

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39105 ✓

5. Indicate Type of Lease

STATE ☒ FEE ☐ ✓

6. State Oil & Gas Lease No.

V-5883

7. Lease Name or Unit Agreement Name

Mandrell BMT State Com ✓

8. Well Number

2 ✓

9. OGRID Number

025575 ✓

10. Pool name or Wildcat

Wildcat; 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 K : 1650 feet from the South line and 1980 feet from the West line
Section 18 Township 14S Range 35E NMPM Lea County ✓

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

4061' 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: Drilling 5' of new hole ☒

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.

9/12/08 Made 5' of new hole @ 9:30 a.m. TD = 15'. Notified Sylvia Dickey w/Hobbs NMOCD via e-mail.

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

9/15/08

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 23 2008

Conditions of Approval (if any):