

RECEIVED

Submit 3 Copies To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Ave., Hobbs, NM 88240
District III
1000 Rio Brazos Rd., Hobbs, NM 88240
District IV
1220 S St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Second copy

Form C-103
May 27, 2004

OCT 15 2008**HOBBS (II)**

WELL API NO. 30-025-38476 ✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5301
7. Lease Name or Unit Agreement Name Strait BLP State ✓
8. Well Number 2 ✓
9. OGRID Number 025575 ✓
10. Pool name or Wildcat 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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation ✓	
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>A</u> : <u>660</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>32</u> Township <u>10S</u> Range <u>34E</u> NMPM <u>Lea</u> County <u>✓</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4227' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P & A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Drilling 5' of new hole <input checked="" type="checkbox"/>
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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.

6/18/08 Made 5' of new hole @ 11:30 a.m. TD = 25'. Hole size 12-1/4". Notified Sylvia Dickey w/Hobbs NMOCD via e-mail.

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 Allison Barton TITLE Regulatory Compliance Technician DATE 6/19/08

Type or print name Allison Barton E-mail address: abarton@ypcnm.com Telephone No. (575) 748-1471
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 20 2008
Conditions of Approval (if any):