

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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-005-29036
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2929
7. Lease Name or Unit Agreement Name Boomerang State Unit
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Tobac; Upper Penn

SUNDY 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 I : 1650 feet from the South line and 990 feet from the East line
Section 26 Township 8S Range 33E NMPM Chaves County Chaves

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4341'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: Surface and Intermediate 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.

11/4/08 – Resumed drilling at 6:00 AM. TD 14-3/4" hole and set 11-3/4" 42# H-40 ST&C casing at 420'. Cemented with 400 sx Class "C" + 2% CaCl₂ (yld 1.34, wt 14.8). Cement circulated to surface. Tested casing to 600 psi for 30 min. WOC 18 hrs 30 min. Reduced hole to 11" and resumed drilling.

11/8/08 – TD 11" hole and set 8-5/8" 24#, 32# J-55 ST&C casing at 3962'. Cemented with 910 sx 35:65:6 Poz "C" + 0.13#/sx Cellophane flakes + 4.69#/sx salt (yld 2.04, wt 12.5). Tailed in with 200 sx Class "C" (yld 1.32, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 32 hrs. Reduced hole to 7-7/8" and resumed drilling.

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE November 19, 2008

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 25 2008

Conditions of Approval (if any):