

RECEIVED

DEC 03 2008

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBS (NM)

WELL API NO.

30-025-38476

5. Indicate Type of Lease

STATE ☒FEE ☐

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 ☐ Gas Well ☒ Other ☐

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 S. 4th Street, Artesia, NM 88210

4. Well Location

Unit Letter A : 660 feet from the North line and 660 feet from the East line
Section 32 Township 10S Range 34E NMPM Lea County

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

4227' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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 ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: ☐

SUBSEQUENT REPORT OF:

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

12/01/08 Made 5' of new hole @ 2:45 p.m. TD = 70'. 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 12/02/08Type or print name Allison Barton E-mail address: abarton@ypcnm.com Telephone No. (575) 748-1471

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APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE DEC 4 2008

Conditions of Approval (if any):