

Office

June 19, 2008

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 87411

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39174

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VA-2003

7. Lease Name or Unit Agreement Name

Kris BNB State Com

8. Well Number

5

9. OGRID Number

025575

10. Pool name or Wildcat

Eight Mile Draw; 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 D : 660 feet from the North line and 660 feet from the West lineSection 27 Township 11S Range 34E NMPM Lea County

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

4176' 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND 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.

11/26/08 Made 5' of new hole @ 1:40 p.m. TD = 25'. 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

TITLE

Regulatory Compliance Technician

DATE

12/02/08

Type or print name

Allison Barton

E-mail address:

abarton@ypcnm.com

PHONE:

(575) 748-4385

For State Use Only

APPROVED BY:

TITLE

PETROLEUM ENGINEER

DATE

DEC - 4 2008

Conditions of Approval (if any):