

Office

Energy, Minerals and Natural Resources

May 27, 2004

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

87505

OIL CONSERVATION DIVISION

JUN 26 2009 1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBSOCD

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.

6/24/09 Made 5' of new hole @ 8:15 a.m. TD = 125'. Notified Sylvia Dickey w/Hobbs NMOCDC 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 NMOCDC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE 6/25/09Type 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 JUN 29 2009

Conditions of Approval (if any):