

Office
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

RECEIVED
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
NOV 13 2009
HOBBS

| |
|---|
| WELL API NO. 30-025-31243 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. V-6303 |
| 7. Lease Name or Unit Agreement Name Reba BNU State |
| 8. Well Number 5 |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Llano; Upper Penn (Oil) |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4160' GR |

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 K : 2300 feet from the South line and 1650 feet from the West line
Section 32 Township 11S Range 35E NMPM Lea County Lea

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A
- Sidetracking operations

OTHER:

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.

10/16/09 Began reentry operation to sidetrack well.
 10/17/09 Nipped up BOP. Tested manifold, HCR & blind rams. Notified Robert Harrison w/NMOCD of BOP testing – did not witness.
 10/18/09 thru 10/19/09 Drilled cement & circulated clean to kick off point @ 4870'. Notified Robert Harrison w/NMOCD of resumed drilling operations @ 7:00 p.m. 10/18/09.
 10/20/09 thru 11/08/09 Continue sidetracking operations.
 11/09/09 TD 10,530'. Set 5-1/2" 17# L-80, J-55 & HCP-110 LT&C casing @ 10,530'. Float collar @ 10,485'. Cemented w/900 sx 35:65:6 Poz "H" + 0.6% D112 + 6% D20 + 0.3% D800 + 0.2% D46 (yld 1.96, wt 12.6). Tailed in w/200 sx Pecos Valley Lite + 0.2% D46 + 1.3% D44 + 0.3% D13 + 0.3% D800 + 0.2% D65 + 0.3% D167 (yld 1.41, wt 13).

Spud Date: Reentry 10/16/09

Rig Release Date: 11/09/09

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE 11/10/09

Type or print name Allison Barton E-mail address: abarton@yatespetroleum.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: [Signature] TITLE DISTRICT 1 SUPERVISOR DATE NOV 18 2009

Conditions of Approval (if any):