

June 16, 2008

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

87505

RECEIVED

DEC 30 2009

HOBBSDOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-38693	✓
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	✓
6. State Oil & Gas Lease No. V-2443	✓
7. Lease Name or Unit Agreement Name Lotus ALT State	✓
8. Well Number 10	✓
9. OGRID Number 25575	✓
10. Pool name or Wildcat Wildcat Bone Springs	✓

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 Corporation3. Address of Operator
105 S. 4th Street, Artesia, New Mexico 88210

4. Well Location

Unit Letter N 480 feet from the South line and 1650 feet from the West line
Section 32 Township 22S Range 32E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc)
3542' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
CASING/CEMENT JOB <input type="checkbox"/>	

OTHER: ☐OTHER: Extend APD ☒

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.

Yates Petroleum Corporation wishes to extend the Application for Permit to Drill for ^{one}~~two~~ years until January 15, ²⁰¹¹~~2012~~.
C-144 Attached.

Thank you,

Expires Jan. 15, 2011

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

SIGNATURE Cy Cowan TITLE Land Regulatory Agent DATE December 29, 2009Type or print name Cy Cowan E-mail address cy@yatespetroleum.com PHONE: (575) 748-4372

For State Use Only

APPROVED BY: Campbell Hill TITLE DISTRICT 1 SUPERVISOR DATE DEC 31 2009

Conditions of Approval (if any):