

Office

Energy, Minerals and Natural Resources

June 19, 2008

District I

1625 N. French Dr., Hobbs, NM 88241

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**DEC 30 2009****HOBBSOCD**

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39325 ✓

5. Indicate Type of Lease

STATE ☒ FEE ☐ ✓

6. State Oil & Gas Lease No.

VO-6326

7. Lease Name or Unit Agreement Name

Reba BNT State ✓

8. Well Number

6 ✓

9. OGRID Number

025575 ✓

10. Pool name or Wildcat

Llano; Upper Penn ✓

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 E : 2310 feet from the North line and 990 feet from the West lineSection 32 Township 11S Range 35E NMPM Lea County

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

4166' 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.

12/23/09 Made 5' of new hole @ 6:45 a.m. TD = 100'. Notified Sylvia Dickey w/Hobbs NMOCD via e-mail.

Accepted for Record Only

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 Allison Barton TITLE Regulatory Compliance Technician DATE 12/28/09Type or print name Allison Barton E-mail address: abarton@vpcnm.com PHONE: (575) 748-4385**For State Use Only**APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JAN 04 2010Conditions of Approval **Accepted for Record Only**