

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 87410

District IV

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

RECEIVED

DEC 31 2009

HOBBSSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-31243

5. Indicate Type of Lease

STATE ☒ FEE ☐

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)

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 lineSection 32 Township 11S Range 35E NMPM Lea County

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

4160' 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: Completion operations ☒

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.

11/19/09 Tagged cement @ 10,394'.

11/20/09 Drilled & circulated clean to 10,487'. Tested casing to 2400 psi for 30 min - held ok. Pickled tbq w/1000 gal 15% acid and circulated hole w/3% KCl.

11/23/09 Ran CBL. Perforated Penn 10,400-10,405' (10) & 10,419-10,425' (12).

11/24/09 Acidized w/1500 gal 20% gelled NEFE acid & 25 balls.

12/02/09 Acidized w/15,000 gal 20% gelled NEFE acid.

12/08/09 Set CIBP @ 10,350' w/35' cement. Perforated Penn 10,051-10,056' (10) & 10,082-10,104' (44).

12/09/09 Acidized w/2500 gal 15% NEFE acid & 100 balls.

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 12/29/09Type or print name Allison Barton E-mail address: abarton@yatespetroleum.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JAN 04 2010Conditions of Approval (if any): [Signature]