

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

Energy, Minerals and Natural Resources

RECEIVED

MAR 01 2010

HOBBS

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38819

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-5490

7. Lease Name or Unit Agreement Name

Carper McAlester ATE State

8. Well Number

3

9. OGRID Number

25575

10. Pool name or Wildcat

Eight Mile Draw, Permo 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 S. 4th Street, Artesia, New Mexico 88210

4. Well Location

Unit Letter B

600

Section 25

Township 11S

Range 34E

NMPM

County Lea

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

4153' 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐

P AND A ☐

CASING/CEMENT JOB ☐

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 ~~two~~ ^{1 year maximum} years until March 21, 2012.

Thank you,

APD Expires 3-21-2011

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

February 25, 2010

Type or print name

Cy Cowan

E-mail address

cy@yatespetroleum.com

PHONE:

(575) 748-4372

For State Use Only

APPROVED BY

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

MAR 01 2010

Conditions of Approval (if any):