

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  
FEB 26 2010  
HOBBSD

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-025-39609
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-7302
7. Lease Name or Unit Agreement Name Caravan State Unit
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Triste Draw, Atoka, East (Gas)

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 B : 660 feet from the North line and 1980 feet from the East line  
Section 32 Township 24S Range 33E NMPM Lea County

II. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3499' 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Surface Casing ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

2/16/10 MIRT and resumed drilling @ 12:45 p.m. Notified E.L. Gonzalez w/NMOCD of resumed operations.

2/18/10 TD 17-1/2" hole to 1250'. Set 13-3/8" 48# H-40 casing @ 1250'. Cemented w/750 sx Class C + 2% S001 + 0.2% D46 + 4% D020 (yld 1.97, wt 12.9). Tailed in w/250 sx Class C + 1% S001 (yld 1.34, wt 14.8). Cement circulated. WOC. Reduced hole to 12-1/4" and resumed drilling.

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 2/24/10

Type or print name Allison Barton E-mail address: abarton@yatespetroleum.com PHONE: (575) 748-1471

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAR 01 2010

Conditions of Approval (if any):