

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 CONSERVATION DIVISION
MAR 25 2010
HOBBSUCD

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

WELL API NO. 30-005-29121
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. VA-2123
7. Lease Name or Unit Agreement Name Patsy BPI State
8. Well Number 7
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Mississippian

SUNDRY NOTICES AND REPORTS ON WELLS.
1. Type of Well: Oil Well [] Gas Well [X] Other []
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210
4. Well Location Unit Letter O : 660 feet from the South line and 1980 feet from the East line
Section 35 Township 11S Range 31E NMPM Chaves County
11. Elevation (Show-whether DR, RKB, RT, GR, etc.) 4450'GR

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NMOCD ARTESIA

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 [X]

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.

3/17/10 Made 5' of new hole @ 1:00 p.m. TD = 15'. Hole size 12-1/4". Notified Sylvia Dickey w/Hobbs NMOCD via e-mail.

Accepted for Record Only

Spud Date: 2/26/10 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: 3/22/10

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 26 2010
Conditions of Approval (if any):

Accepted for Record Only