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P/A'd. OK TO RELEASE To Scott # 9-1-10
MRS. 9/16/2010

Submit One Copy To Appropriate District Office

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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
March 18, 2009

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.)		WELL API NO. 30-025-39105
1. Type of Well: ☐ Oil Well ☐ Gas Well ☒ Other PA		5. Indicate Type of Lease STATE X FEE
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V-5883
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Mandrell BMT State Com
4. Well Location Unit Letter_K_: 1650 feet from the South line and 1980 feet from the West line Section 18 Township 14S Range 35E NMPM Lea County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; Mississippian (Gas)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
OTHER: ☐		☒ Location is ready for OCD inspection after P&A	

- ☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan
- ☒ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.
- ☐ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

Marker Was Placed Below Ground As Per Buddy Hill.

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- ☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- ☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- ☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- ☒ All other environmental concerns have been addressed as per OCD rules.
- ☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

Rat Hole Fill

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE [Signature] TITLE Construction Supervisor DATE 9-7-10

TYPE OR PRINT NAME Scott Pitts E-MAIL spitts@yatespetroleum.com PHONE 365-4716

For State Use Only

APPROVED BY [Signature] TITLE Compliance Officer DATE 9/16/2010

Conditions of Approval (if any)