

RECEIVED

OIL CONSERVATION DIVISION

NOV 15 2010

HOBBSUCD220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-36748

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-5543

7. Lease Name or Unit Agreement Name
Cash BNG State

8. Well Number

3

9. OGRID Number

025575

10. Pool name or Wildcat
Wildcat; Wolfcamp (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 : 1400 feet from the South line and 1605 feet from the West lineSection 18 Township 10S Range 34E NMPM Lea County

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

4205'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: Plugback and recomple ☒

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.

10/18/10 – NU BOP.

10/19/10 – Set a 5-1/2" 10K Alpa CIBP at 11,680'. Tested casing to 1000 psi, good. Spotted 35' cement on top of CIBP. Perforated Penn 9896'-9904' (16).

10/25/10 – RIH with GR to a depth of 9860'. Set a CIBP at 9850'. Spotted 35' cement on top of CIBP. Perforated Wolfcamp 9388'-9395' (14). Acidized with 1000g 15% NEFE HCL acid with 28 ball sealers.

10/28/10 – Re-acidized with 5000g 20% gelled IC HCL acid. 2-7/8" 6.5# L-80 tubing at 9467'.

Administrative Order NSL-6225

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE November 10, 2009Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168**For State Use Only**APPROVED BY: Tina Huerta TITLE PETROLEUM ENGINEER DATE NOV 16 2010

Conditions of Approval (if any):