

Submit 1 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

Form C-103

October 13, 2009

RECEIVED

MAR 23 2011

HOBBSD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-005-29174
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0854
7. Lease Name or Unit Agreement Name Moped BQP State
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Wolfcamp

<p>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.)</p>	
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>	
<p>2. Name of Operator Yates Petroleum Corporation</p>	
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>	
<p>4. Well Location Unit Letter <u>P</u> : <u>780</u> feet from the <u>South</u> line and <u>430</u> feet from the <u>East</u> line Section <u>26</u> Township <u>15S</u> Range <u>31E</u> NMPM <u>Chaves</u> County</p>	
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4367'GR</p>	

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: Set conductor w/locking cap ☒

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.

3/17/11 – Opened hole to 36" to a depth of 10'. Set and cemented 10' of 30" conductor with a locking cap at 11:55 AM. TD 10'.  
Notified E.L. Gonzales NMOC-D-Hobbs of operations via email.

Spud Date:

3/1/11

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 March 22, 2011

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE STATE MGR DATE 3-24-2011

Conditions of Approval (if any):