

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

APR 07 2011

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-40073

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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 Corporation3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter O : 750 feet from the South line and 1500 feet from the East lineSection 32 Township 11S Range 32E NMPM Lea County11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4401'GR7. Lease Name or Unit Agreement Name
Gambler State Unit

8. Well Number

1

9. OGRID Number

025575

10. Pool name or Wildcat

Wildcat; Mississippian

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: Spud ☒

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.

3/31/11 – Spudded well at 2:00 PM. TD 10'. Hole size 12-1/4". Notified E.L. Gonzales NMOCD-Hobbs of operations via email.

Spud Date:

3/31/11

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 April 6, 2011Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

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APPROVED BY: [Signature] TITLE Regulatory Compliance Supervisor DATE APR 07 2011

Conditions of Approval (if any):