

Submit 3 Copies 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
Revised June 10, 2003

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

WELL API NO. 30-005-63636
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1943
7. Lease Name or Unit Agreement Name Zipper AZJ State Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Undesignated Precambrian

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	RECEIVED APR 07 2004 OED-ARTESIA
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>K</u> : <u>1980</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>1</u> Township <u>7S</u> Range <u>24E</u> NMPM <u>Chaves</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4023'GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Spud <input checked="" type="checkbox"/>

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/31/04 – Spudded well at 8:30 AM. TD 10'. Hole size 12-1/4".

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 5, 2004

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471
(This space for State use)

APPROVED BY FOR RECORDS ONLY TITLE DATE
Conditions of approval, if any:

APR 13 2004