

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. 30-005-63410
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5657
7. Lease Name or Unit Agreement Name Roulette AXR State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat Basement
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3779'GR

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 **RECEIVED**

2. Name of Operator
 Yates Petroleum Corporation **MAY 12 2004**

3. Address of Operator
 105 S. 4th Street, Artesia, NM 88210 **OCB-ARTESIA**

4. Well Location
 Unit Letter E : 1775 feet from the North line and 788 feet from the West line
 Section 8 Township 10S Range 26E NMPM Chaves County

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"/>	REMEDIAL WORK <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPLETION <input type="checkbox"/>	OTHER: Spud <input checked="" type="checkbox"/>
OTHER: <input 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.

5/8/04 – Spudded well at 7:00 AM. Set and cemented 40' of 20" conductor.

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: May 11, 2004

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

(This space for State use) **FOR RECORDS ONLY**

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: