mit 3 Copies To Appropriate District State of New Mexico Form C-103 May 27, 2004 Energy, Minerals and Natural Resources WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-015-33174 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE ⋈ FEE □ 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 VA-1910 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 Orval BDO State Com PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well Other RECEIVED 2. Name of Operator 9. OGRID Number Yates Petroleum Corporation 025575 SEP 0 9 2004 3. Address of Operator 10. Pool name or Wildcat 105 S. 4th Street, Artesia, NM 88210 Little Box Canyon Morrow 4. Well Location 2090 feet from the Unit Letter North line and 1093 feet from the West line 32 Township 20S NMPM Section Range 23E Eddy County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4415'GR Pit or Below-grade Tank Application or Closure Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Pit Liner Thickness: Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON □ REMEDIAL WORK ALTERING CASING □ **TEMPORARILY ABANDON** CHANGE PLANS \Box COMMENCE DRILLING OPNS.□ PLUG AND ABANDON [] MULTIPLE COMPL **PULL OR ALTER CASING** \Box CASING/CEMENT JOB OTHER: Set RBP 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. 8/21-22/04 - Set 5-1/2" 17# AS-1 RBP at 8650'. Packer at 8447'. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines _, a general permit _ or an (attached) alternative OCD-approved plan _. TITLE Regulatory Compliance Supervisor DATE September 8, 2004 Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471 For State Use Only SEP 1 1 2004 FOR RECORDS ONLYTLE APPROVED BY: DATE

Conditions of Approval (if any):