Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office Revised June 10, 2003 Energy, Minerals and Natural Resources District 1 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-005-63620 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 X 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-2026 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 Houston BDH State Com PROPOSALS.) 8. Well Number 1. Type of Well: RECEIVED 1 Oil Well Gas Well X Other DEC 1 9 2003 2. Name of Operator 9. OGRID Number Yates Petroleum Corporation 025575 OCD-ARTESIA 3. Address of Operator 10. Pool name or Wildcat 105 S. 4th Street, Artesia, NM 88210 Foor Ranch Pre-Permian 4 Well Location Unit Letter M : 660 feet from the South line and feet from the West line 31 Township 9S Range 27E NMPM Chaves Section County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3909'GR 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 COMMENCE DRILLING OPNS. PLUG AND **ABANDONMENT PULL OR ALTER CASING** MULTIPLE CASING TEST AND COMPLETION **CEMENT JOB** OTHER: OTHER: Surface and intermediate casing $\overline{\mathbf{X}}$ 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. 12/10/03 - Resumed drilling at 12:00 midnight. Set 11-3/4" 42# casing at 430'. Cemented with 400 sx "C" with additives. Cement circulated to surface. WOC 18 hrs 45 mins. Reduced hole to 11" and resumed drilling. 12/12/03 - Set 8-5/8" 24# casing at 1165'. Cemented with 300 sx 35:65 Poz "C" with additives. Tailed in with 200 sx "C" with additives. Cement circulated to surface. WOC 16 hrs 15 mins. Reduced hole to 7-7/8" and resumed drilling. I hereby certify that the information above is true and complete to the best of my knowledge and belief. TITLE: Regulatory Compliance Supervisor SIGNATURE: DATE: December 17, 2003 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

TITLE

APPPROVED BY

Conditions of approval, if any: