

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

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

Form C-103  
Revised June 10, 2003

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-33148
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No.
3. Address of Operator 105 S. 4 <sup>th</sup> Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Clarence BCU
4. Well Location  Unit Letter <u>D</u> : <u>800</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>14</u> Township <u>16S</u> Range <u>26E</u> NMPM <u>Eddy</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3332'GL		9. OGRID Number 025575
		10. Pool name or Wildcat Morrow

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

12/26/03 – Spudded well at 10:00 AM. Set 60' of 20" conductor.

12/30/03 – Set 13-3/8" 48# casing at 385'. Cemented with 440 sx Class "C" with additives. Cement circulated to surface. WOC.  
Reduced hole to 12-1/4" and resumed drilling.

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: December 31, 2003

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 Tina Huerta DATE JAN 5 2003  
Conditions of approval, if any: Note Time to WOC