

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.	30-025-35285
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-1431
7. Lease Name or Unit Agreement Name	Chad AXA State
8. Well No.	1
9. Pool name or Wildcat	Wildcat Mississippian
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	4102' 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

2. Name of Operator
YATES PETROLEUM CORPORATION

3. Address of Operator
105 South 4th St., Artesia, NM 88210

4. Well Location
Unit Letter L : 1580 Feet From The South Line and 660 Feet From The West Line
Section 36 Township 13S Range 34E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4102' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>OTHER: _____ <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <u>Spud</u> <input checked="" type="checkbox"/></p>
<p>PLUG AND ABANDON <input type="checkbox"/></p> <p>CHANGE PLANS <input type="checkbox"/></p>	<p>ALTERING CASING <input type="checkbox"/></p> <p>PLUG AND ABANDONMENT <input type="checkbox"/></p>

12. 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.

Spudded a 12-1/4" hole with rat hole machine at 11:45 AM 12-1-2000. Drilled to 10'. Shut down. NOTE: Notified Sylvia w/OCD-Hobbs via voice mail.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Rusty Klein TITLE Operations Technician DATE Jan. 26, 2001
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

FEB 02 2001