

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

OIL CONSERVATION DIVISION		WELL API NO. 30-019-20132
SUNDY 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.)		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		6. State Oil & Gas Lease No.
2. Name of Operator Yates Petroleum Corporation		7. Lease Name or Unit Agreement Name Laverne Ibis BDV
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		8. Well Number 1
4. Well Location Unit Letter <u>P</u> : <u>990</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Section <u>24</u> Township <u>10N</u> Range <u>26E</u> NMPM <u>Guadalupe</u> County		9. OGRID Number 025575
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4437'GR		10. Pool name or Wildcat Undesignated Precambrian

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

2/13/04 - 2/28/04 - Fish in hole. Perforated and tried to circulate at 6385', 6325' and 6230' with no luck. Perforated at 6122' and circulate/try to get off overshot (no luck). Ran wireline back off shot at drill pipe stub. Chain out of hole (SLM). Load out fishing tools. TIH with 63 stands drill pipe + picked up 8 joints, set at 6117'. Set stub plug at 6094' (cement with 40 sx Class "H" Neat at 15.6#). Pulled 14 joints drill pipe and circulated hole. Set 300' kick off plug at 5654' (cement top at 5364'). Cemented with 160 sx Class "H" with additives. Pulled 15 joints of drill pipe and circulate hole. *Kick off plug set at 3:30 AM 2-15-04. Tag cement at 5497'. Circulated and WOC 24 hrs. Dress off cement plug from 5555' to 5567'. Side tracking wellbore at kickoff point. Lost circulation at 6380'. Mixed and pumped 5#/bbl LCM sweeps - 2. Regained circulation.
2/29/04 - Reached TD 8128' at 4:30 PM.
3/3/04 - Set 7" 26# P-110 casing at 8125'. Cemented with 900 sx 15:61:11 Poz "C" with additives.

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: March 18, 2004

Type or print name Tina Huerta E-mail address: timah@ypcnm.com Telephone No. 505-748-1471
(This space for State use)

APPROVED BY: [Signature] TITLE: DISTRICT SUPERVISOR DATE: 3/29/04
Conditions of approval, if any: