

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

March 4, 2004

<p>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.)</p>		<p>WELL API NO. 30-005-63562</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Sterne BCS Com</p>
<p>4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>13</u> Township <u>6S</u> Range <u>26E</u> NMPM Chaves County</p>		<p>8. Well Number 2</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3793'GR</p>		<p>9. OGRID Number 1025575</p>
<p>Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)</p>		
<p>Pit Location: UL <u> </u> Sect <u> </u> Twp <u> </u> Rng <u> </u> Pit type <u> </u> Depth to Groundwater <u> </u> Distance from nearest fresh water well <u> </u> Distance from nearest surface water <u> </u> Below-grade Tank Location UL <u> </u> Sect <u> </u> Twp <u> </u> Rng <u> </u> ; feet from the <u> </u> line and <u> </u> feet from the <u> </u> line</p>		

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: Drill out composite plug and commingle well <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.

6/23/04 – Clean down to 5330' and tagged composite. Drilled out composite and pushed to 5400'.

6/24/04 – Set wireline packer at 4046'.

Well is now commingled Abo and Wolfcamp, effective 7/2004.

DHC-3230

Pecos Slope Abo Oil-N/A Gas-67%

Crockett Draw Wolfcamp Oil-N/A Gas-33%

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Tina Huerta TITLE: Regulatory Compliance Supervisor DATE: July 8, 2004

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 DATE

Conditions of approval, if any:

JUL 16 2004