

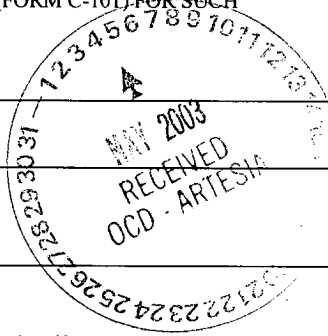
Submit 3 Copies To Appropriate District Office  
 District I  
 1625 N. French Dr., Hobbs, NM 88240  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

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

|   |  |
|---|--|
| Form C-103<br>Revised March 25, 1999  |  |
| WELL API NO.<br>30-015-32678  |  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |  |
| 6. State Oil & Gas Lease No.  |  |

|  |  |   |
|--|--|---|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(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.)<br>1. Type of Well:<br>Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> |  | 7. Lease Name or Unit Agreement Name:<br><br>Kennedy JQ |
| 2. Name of Operator<br>Yates Petroleum Corporation   |  | 8. Well No.<br>2  |
| 3. Address of Operator<br>105 S. 4 <sup>th</sup> Street Artesia, NM 88210  |  | 9. Pool name or Wildcat<br>Wildcat Mississippian        |
| 4. Well Location<br><br>Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line<br><br>Section <u>33</u> Township <u>17S</u> Range <u>26E</u> NMPM <u>Eddy</u> County   |  |   |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3370' GR   |  |   |



11. 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: Set intermediate casing <input checked="" type="checkbox"/> |   |

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.

4/10/03 - Set 9-5/8" 36# casing at 1385'. Cemented with 185 sx Class "H" with additives. Tailed in with 500 sx BJ Lite "C" with additives and 200 sx Class "C" with additives. Ran 1" to surface with 185 sx cement. WOC 25 hrs. Reduced hole to 8-3/4" 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 May 6, 2003

Type or print name Tina Huerta Telephone No. 505-748-1471

(This space for State use)

APPROVED BY [Signature] TITLE District Supervisor DATE MAY 09 2003  
 Conditions of approval, if any: