To Appropriate District State of New Mexico Form C-103 Energy, Minerals and Natural Resources May 27, 2004 WELL API NO. N. French Dr., Hobbs, NM 88240 istrict II 30-015-33938 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE | 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 Louise AYI PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well Other RECEIVED 2 2. Name of Operator 9. OGRID Number JUN 2 7 2005 Yates Petroleum Corporation 025575 OCD-MATERIA 3. Address of Operator 10. Pool name or Wildcat 105 S. 4th Street, Artesia, NM 88210 Burton Flat; Morrow 4. Well Location 990 feet from the feet from the Unit Letter North line and 1550 East line 25 **NMPM** Township 21S Range Eddy Section County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3167'GR Pit or Below-grade Tank Application or Closure Depth to Groundwater _____ Distance from nearest fresh water well ____ Distance from nearest surface water Below-Grade Tank: Volume bbls; Construction Material Pit Liner Thickness: 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON REMEDIAL WORK ALTERING CASING □ PLUG AND ABANDON □ **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PULL OR ALTER CASING П MULTIPLE COMPL П CASING/CEMENT JOB OTHER: OTHER: Surface and intermediate casing 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. 6/13/05 - Set 13-3/8" 48# H-40 casing at 598'. Cemented with 100 sx Class "H" + 10% A-10 + 1% CaCl2 + .25#/sx Cello flakes + 10#/sx LCM-1 (yld 1.52, wt 14.6) and 300 sx 35:65:6 Poz "C" + 6% Bentonite + 2% CaCl2 + 5#/sx LCM-1 (yld 1.97, wt 12.5). Tailed in with 200 sx "C" + 25 CaCl2 (yld 1.34, wt 14.8). Cement did not circulate. Ran 1" cement to surface with 855 sx Class "C". Tested casing to 600 psi for 30 min. WOC 40 hrs 30 min. Reduced hole to 12-1/4" and resumed drilling. 6/20/05 - Set 9-5/8" 36# J-55 ST&C casing at 2367'. Cemented with 180 sx Class "H" + 10% A-10 + 15 CaCl2 + 25#/sx Cellophane flakes + 10#/sx LCM-1 (yld 1.53, wt 14.6) and 700 sx 35:65:6 Poz "C" + 2% CaCl2 + 5#/sx LCM-1 (yld 1.97, wt 12.5). Tailed in with 200 sx Class "C" + 2% CaCl2 (yld 1.32, wt 14.8). Cement did not circulate. Ran 1" cement to surface with 520 sx Class "C". Tested casing to 1500 psi for 30 min. WOC 58 hrs. Reduced hole and resumed drilling.

		knowledge and belief. I further certify that any pit or below-
grade tank has been/will be constructed on closed accord	ing to NMOCD guidelines 🔲, a general	l permit 🗌 or an (attached) alternative OCD-approved plan 🗌.
SIGNATURE June Huert	TITLE <u>Regulatory Com</u>	pliance Supervisor DATE June 23, 2005
Type or print name Tina Huerta	E-mail address:tinah@	ypcnm.com Telephone No. 505-748-1471
For State Use Only FOR RECO	RDS ONLY	JUL 0 3 2005
APPROVED BY:	TITLE	DATE
Conditions of Approval (if any):		