

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 March 25, 1999

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.)		WELL API NO. 30-015-30166 / <u>30-015-34031</u>
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V-4129 / <u>VO-5053</u> / <u>N-5033</u>
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name: Crow ASM State <u>Com</u>
4. Well Location <u>Unit Letter N</u> : <u>660'</u> feet from the <u>South</u> line and <u>2310'</u> feet from the <u>West</u> line		8. Well No. <u>(1E2)</u>
Section 32 Township 16S Range 28E NMPM Eddy County		9. Pool name or Wildcat <u>Crow Flats Morrow</u> / <u>Poc Canyon W C OIL</u>
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		

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: Off lease Measurement & Surface Commingle Gas only <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully requests approval for Off lease Measurement and Surface Pool Commingle gas only the following wells:

<u>30-015-30166</u> N/ Crow ASM State Com #1 Section 32-T16S-R28E Formation: Crow Flats/Morrow ( <u>75720</u> ) Eddy County, New Mexico State Lease: V-4129	<u>30-015-34031</u> H/ Crow ASM State #2 Section 32-T16S-R28E Formation: Dog Canyon/Wolfcamp ( <u>17970</u> ) Eddy County, New Mexico State Lease: VO-5053
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The battery is located at the Crow ASM State Com#1.

Total sales volumes will be allocated back to individual wells based on daily well test.

The ownership is identical.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The purpose of the Off lease Measurement and Surface Commingling, is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for each well. This will greatly increase costs and shorten the economic life of the well.

The proposed commingling is necessary for economic operation of the above referenced leases.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mayte V. Reyes TITLE Production Secretary DATE September 21, 2005

Type or print name Mayte Reyes

Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY Will Jones TITLE Engineer DATE 10/13/05

Conditions of approval, if any: