

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

Form C-103
 May 27, 2004

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

WELL API NO. 30-005-63689
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5686

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.)

2006 JUN 27 PM 1:27

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
 Unit Letter N : 660 feet from the South line and 1980 feet from the West line
 Section 2 Township 9S Range 26E NMPM Chaves County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3850'GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

7. Lease Name or Unit Agreement Name Datil BFD State Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Undes Foor Ranch; Pre-Perm/Foor Ranch; Wolfcamp/Pecos Slope Abo

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 ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Add Wolfcamp and Abo, stimulate and DHC %'s <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.

5/19/06 – Set a 5-1/2" 15.5# flow thru frac plug at 6050'. Perforate Wolfcamp 5295'-5306' (44). Acidize with 1100g 20% IC acid.
 5/24/06 – Set JSI flow thru frac plug at 5250'. Perforate Abo 4530'-4540', 4550'-4554', 4556'-4560', 4562'-4566', 4610'-4613', 4631'-4636', 4722'-4730', 4777'-4780', 4814'-4818', 4854'-4858', 4864'-4880' and 4894'-4900' for a total of 83 holes. Spotted 2500g 7-1/2% acid. Frac with 110,100g 55Q CO2 foam and 250k 16/30 Ottawa. Set ASI 10K packer with 2.25" on/off tool at 4436'.

Well is commingled Strawn, Wolfcamp and Abo effective 06/2006.

DHC-3669
 Undesignated Foor Ranch; Pre-Permian Gas-12.7%
 Foor Ranch; Wolfcamp Gas-4%
 Pecos Slope Abo Gas-83.3%

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 June 23, 2006

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only
 APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE JUL 14 2006
 Conditions of Approval (if any): _____