

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
 Revised June 10, 2003

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

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|---|
| WELL API NO. 30-005-63628 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VO-2925 |
| 7. Lease Name or Unit Agreement Name Trailblazer ANL State |
| 8. Well Number 3 |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Undesignated Precambrian |

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.)

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 A : 990 feet from the North line and 660 feet from the East line
 Section 11 Township 8S Range 27E NMPM Chaves County

RECEIVED
 JAN 09 2004
 OCD-ARTESIA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3974' GR

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: Spud, surface and Intermediate casing <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.

12/29/03 – Spudded well.
 12/30/03 – Resumed drilling at 5:00 AM. Set 11-3/4" 42# casing at 422'. Cemented with 400 sx "C" with additives. Cement circulated to surface. WOC 31 hrs 45 mins. Reduced hole to 11" and resumed drilling.
 1/1/04 – Set 8-5/8" 24# casing at 1114'. Cemented with 300 sx 35:65:6 "C" with additives. Tailed in with 200 sx "C" with additives. Cement circulated to surface. WOC. Reduced hole to 7-7/8" 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: January 6, 2004

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

APPROVED BY _____ FOR RECORDS ONLY _____ TITLE _____ DATE JAN 14 2004

Conditions of approval, if any: