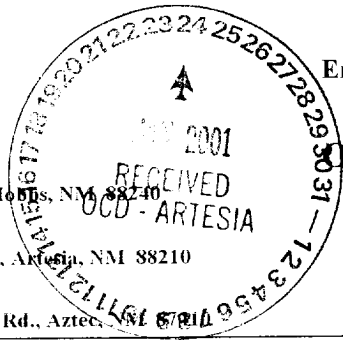


Submit 3 copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89



DISTRICT I P.O. Box 1980, Hobbs, NM 88240
DISTRICT II P.O. Drawer DD, Artesia, NM 88210
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504 -2088

WELL API NO. 30-005-63285
5. Indicate Type of Lease STATE X FEE
6. State Oil & Gas Lease No. VO-5659
7. Lease Name or Unit Agreement Name Canner AUF State Com
8. Well No. 1
9. Pool name or Wildcat Undesignated Commanche Springs Pre-Cambrian

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 [X] OTHER
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 S. 4th Street, Artesia, NM 88210
4. Well Location Unit Letter M, 660 Feet From The South Line and 660 Feet From The West Line Section 30 Township 10S Range 27E NMPM Chaves County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [], PLUG AND ABANDON [], TEMPORARILY ABANDON [], CHANGE PLANS [X], PULL OR ALTER CASING [], OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [], ALTERING CASING [], COMMENCE DRILLING OPNS. [], PLUG AND ABANDONMENT [], CASING TEST AND CEMENT JOB [], OTHER: []

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.
On 1/18/01 Cory Frederick, Drilling Engineer Asst. received verbal approval from Bryan Arrant to change the wellplan as follows:
Change surface and intermediate casing/hole sizes as listed below:
From: Holes Size 14 3/4", Casing Size 11 3/4", Casing #'s/ft 42#, Setting Depth 500', Sx Cement 400 sx, Estimated TOC Surface
11", 8 5/8", 24#, 1,200', 500 sx, Surface
To: 14 3/4", 9 5/8", 36#, 600', 525 sx, Surface
The intermediate casing has been eliminated due to an engineering determination that it was not necessary. The 9 5/8" will be set prior to drilling the Queen formation at 635' to provide adequate coverage for shallow fresh water zones.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Cory Frederick TITLE Drilling Engineer Asst. DATE 1/22/01
TYPE OR PRINT NAME Cory Frederick TELEPHONE NO. (505)-748-4214

(This space for State Use)
APPROVED BY For Record TITLE DATE
CONDITIONS OF APPROVAL, IF ANY: