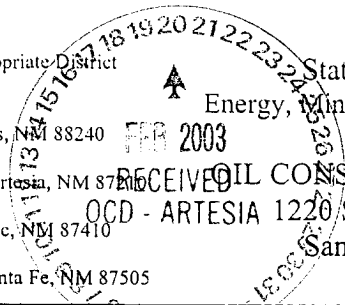


Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, Artesia, NM 87206
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505



State of New Mexico
 Energy, Minerals and Natural Resources
 OIL CONSERVATION DIVISION
 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised March 25, 1999

WELL API NO. 30-015-32510
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

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 Drilling Company

3. Address of Operator
 105 South 4th St., Artesia, NM 88210

4. Well Location
 Unit Letter I : 1650 feet from the South line and 660 feet from the East line
 Section 13 Township 20S Range 26E NMPM Eddy County

5. Lease Name or Unit Agreement Name:
 Pecos River Deep Unit

6. Well No.
 8

7. Pool name or Wildcat
 McMillan Morrow

8. 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: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

2-10-2003 Spud well at 1:30 PM, 2-10-2003
 2-11-2003 Move in rotary rig and resumed drilling.
 2-12-2003 TD 420'. Ran 10 jts., 13 3/8" 48#, H-40 casing, set at 420'. Float collar set at 377.95'. Cemented with 470 sxs. Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). PD at 8:04 PM, 2-12-2003. Bumped plug to 678 psi, held OK. Circulated 35 sxs. cement. WOC 44.25 hrs.
 2-14-2003 Reduced hole to 12 1/4" and resumed drilling.

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

SIGNATURE Karen J. Leishman TITLE Engineering Technician DATE 2-18-2003

Type or print name Karen J. Leishman Telephone No. 505-748-8463

APPROVED BY [Signature] ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR
 TITLE _____ DATE FEB 25 2003

Conditions of approval, if any _____