

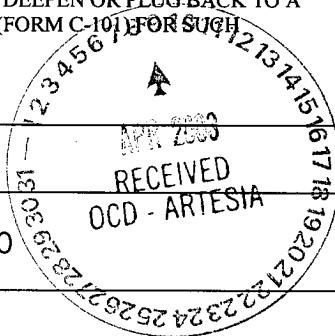
Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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.)		7. Lease Name or Unit Agreement Name: Salem
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	8. Well No. 3	9. Pool name or Wildcat Strawn
2. Name of Operator Yates Petroleum Corporation		
3. Address of Operator 105 South 4th Street, Artesia, NM 88210		
4. Well Location Unit Letter <u>L</u> : 1980 feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>3</u> Township <u>8S</u> Range <u>26E</u> NMPM Chaves County 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3765'GR		



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: <input type="checkbox"/>		OTHER: Spud and set surface casing <input checked="" type="checkbox"/>	

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.

3/28/03 - Spudded at 3:00 PM. Set and cement 40' of 20" conductor.

3/29/03 - Resumed drilling at 6:00 PM.

3/30/03 - Set 9-5/8" 26# casing at 950'. Cemented with 850 sx 35:65:6 Class "C" with additives. Tailed in with 200 sx Class "C" with additives. Cement circulated to surface. WOC 20 hrs 30 mins. Reduced hole to 8-3/4" 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 April 8, 2003

Type or print name Tina Huerta Telephone No. 505-748-1471

(This space for State use)

APPROVED BY Jim W. Brown TITLE District Supervisor DATE APR 10 2003

Conditions of approval, if any: