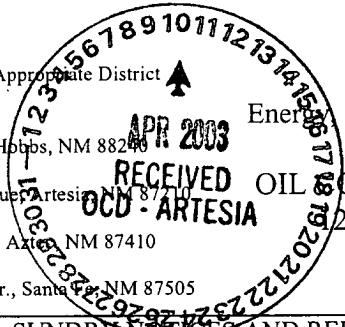


Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, Artesia, NM 87710
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505



State of New Mexico
 Energy, Minerals and Natural Resources
 OIL CONSERVATION DIVISION
 220 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.
7. Lease Name or Unit Agreement Name: Pecos River Deep; Unit
8. Well No. 8
9. Pool name or Wildcat McMillan Morrow

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: Pecos River Deep; Unit
2. Name of Operator Yates Drilling Company	8. Well No. 8
3. Address of Operator 105 South 4th St., Artesia, NM 88210	9. Pool name or Wildcat McMillan Morrow
4. Well Location Unit Letter <u>I</u> : <u>1650</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>East</u> line Section <u>13</u> Township <u>20S</u> Range <u>26E</u> NMPM <u>Eddy</u> County	
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3304' GR	

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 type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/> OTHER: <input type="checkbox"/>

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 recompilation.

See attachment.

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

SIGNATURE Karen J. Leckman TITLE Engineering Technician DATE 4/8/2003

Type or print name _____ Telephone No. _____
 (This space for State use)

APPROVED BY Jim W. Gunn TITLE District Supervisor DATE APR 15 2003
 Conditions of approval, if any:

PECOS RIVER DEEP UNIT #8
C-103 Attachment
4/8/2003

2/18/2003 TD 2720'. Ran 63 jts. 9 5/8" 36# J-55 casing, set at 2720'. Regular guide shoe set at 2720'. Float collar set at 2676.57'. Cemented with 770 sxs. 35:65:6 + 2% CaCl₂ + 25# Celloflake (yld 1.97, wt 12.7). Tailed in with 200 sxs. class "C" + 2% CaCl₂ (yld 1.34, wt 14.8). PD at 12:47 PM, 2/19/2003. Bumped plug to 1130 psi, held okay. Circulated 60 sxs. WOC 37 hrs. Drilled out at 2:00 AM, 2/21/2003. Reduced hole to 8 3/4" and resumed drilling. (Notified Van Barton, NMOCD of TD and cement)
Note: Ran centralizers on shoe jt, 57, 51, 45, 39, 33, 27 and 21.

3/17/2003 TD 9616'. Ran 230 jts. 7" casing, set at 9616', as follows:
71 jts. 7" 26# S-95 P110 LT&C (2879.65')
78 jts. 7" 26# J-55 LT&C (3309.05')
81 jts. 7" 23# J-55 LT&C (3462.22')

Regular guide shoe set at 9616'. Float collar set at 9535.11'. Cemented with 820 sxs. 15:61:11 "C" + 4# LCM + 6% FL-25 + 6% FL-52 + .25% SM (yld 1.57, wt 13.2). Tailed in with 210 sxs "H" + 1% BA-58 + 3% FL-52 + 2# LCM + 6% CD-32 + 5% salt + 1% FL-62 (yld 1.26, wt 15.6). PD at 10:37 PM, 3/16/2003. Bumped plug to 2450 psi, held okay. Cement did not circulate. Ran temp. survey, TOC 4,000'. Nipped up and tested to 5000 psi for 15 mins. Reduced hole to 6 1/8" and resumed drilling. Note: Marker jts. 7042.12' - 7042.50' and 4942.38' - 4960.98'. Ran centralizers every 80', 20 total.

3/25/2003 TD 10,588'. Ran 244 jts. 4 1/2" csg, set at 10,582', as follows:
25 jts. 4 1/2" 11.6# P-110 SB (1059.96')
219 jts. 4 1/2" 11.6# P-110 Varn (9518.79')

Float shoe at 10,581.79'. Float collar set at 10,537.72'. Cemented with 120 sxs. 15:61:11 + 4# LCM + 6% FL-25 + 6% FL-52 + 25% SMS (yld 1.57, wt 13.2). PD at 2:30 PM, 3/24/2003. Bumped plug to 1600 psi for 5 mins. Set 120,000# on slips. Rig released at 2:30 AM, 3/25/2003. Waiting on completion. Note: Marker jt. 9503.83' - 9521.89'. Centralizers at 10,581', 10,366', 10,151', 9,936', 9,721', 9,506' and 9,291'.