

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 March 25, 1999

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

WELL API NO. 30-015-33747
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: Guitar BFL Com
8. Well No. 1
9. Pool name or Wildcat Chosa Draw 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 checked="" type="checkbox"/> Other <input type="checkbox"/>	2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	4. Well Location Unit Letter <u>B</u> : <u>990'</u> feet from the <u>North</u> line and <u>1980'</u> feet from the <u>East</u> line Section <u>17</u> Township <u>25S</u> Range <u>26E</u> NMPM <u>Eddy</u> County
10. 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: Addition to Off Lease Measurement & Surface Commingle, and Alternative Method of Measurement. Gas only <input checked="" 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 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 recompletion.	

Yates Petroleum Corporation respectfully request approval for the addition to Off Lease Measurement & Surface Commingle, and Alternative Method of Measurement and Sales Gas only. Previously filed with the BLM on February 11, 2002.

The gas sales from the Chosa ATR #1 Federal Com #1 is measured on location and sold at the following location, Delta Federal #1, Unit G, Section 7-T25S-R26E, NM-28172. The Guitar BFL Com #1 is measured on lease and sold off lease on the Delta Federal #1 location.

The off lease measurement of production is in the interest of conservation and economic feasibility, and will not result in reduced royalty or improper measurement of production.

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

SIGNATURE Mayte Reyes TITLE Production Secretary DATE July 18, 2005

Type or print name Mayte Reyes Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY FOR RECORDS ONLY

Conditions of approval, if any:

DATE JUL 26 2005