

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

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

Form C-103
Revised June 10, 2003

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.)		WELL API NO. 30-005-63618
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VO-5649
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Quiniela AXQ State
4. Well Location OCD-ARTESIA		8. Well Number 3
Unit Letter <u>A</u> : <u>660</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>5</u> Township <u>10S</u> Range <u>26E</u> NMPM <u>Chaves</u> County		9. OGRID Number 025575
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3770'GR		10. Pool name or Wildcat Wildcat Precambrian

12. 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: Surface casing <input checked="" type="checkbox"/>	

13. 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.

1/30/04 – Resumed drilling at 4:45 AM.

2/1/04 – Set 13-3/8" 48# casing at 1108'. 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 18 hrs. 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: Tina Huerta TITLE: Regulatory Compliance Supervisor DATE: February 3, 2004

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

(This space for State Use) Jim W. Green SUPERVISOR, DISTRICT II FEB 05 2004

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any: