

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

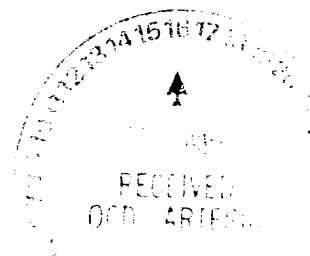
WELL API NO.	30-015-28103
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	K-6096
7. Lease Name or Unit Agreement Name	State K
8. Well No.	4
9. Pool name or Wildcat	Dagger Draw Upper Penn. North

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator YATES PETROLEUM CORPORATION	
3. Address of Operator 105 South 4th St., Artesia, NM 88210	
4. Well Location Unit Letter <u>L</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>28</u> Township <u>19S</u> Range <u>25E</u> NMPM <u>Eddy</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3492' 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <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.

Yates Petroleum Corporation respectfully requests permission to drill this well to a total depth of approximately 9500' to test the Morrow. Original Application for Permit to Drill was for an 8200' Canyon test.



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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Sept. 15, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)
ORIGINAL SIGNED BY TIM W. GUM DATE SEP 30 1997
APPROVED BY DISTRICT II SUPERVISOR TITLE _____
CONDITIONS OF APPROVAL, IF ANY: