Conditions of approval, if

YATES PETROLEUM CORPORATION Irish HIlls JE State Com #1 Section 12-T19S-R24E Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

3-4-2003 - RIH open ended with tubing and tagged CIBP at 7693'. Circulated hole with plugging mud. Capped CIBP with 50' of Class C Neat cement from 7693-9643'. POOH with tubing. Rigged down tubing equipment. Shut well in for night.

3-5-2003 - Nippled down BOP and wellhead. Pulled 4-1/2" casing slips. Determine free point on casing. Free point shows to be at 4100'. Worked casing. Re-free pointed casing - shows to be at 5200'. Shut down due to wind. Shut well in for night.

3-6-2003 - Rigged up wireline. RIH with casing cutter and cut casing at 5154'. POOH and rigged down wireline. Rigged up casing equpment. POOH with 82 joints of 4-1/2" casing. Shut well in for night.

3-7-2003 - Finished POOH with 44 joints of 4-1/2" casing. Rigged down casing equipment. Nippled up wellhead and BOP. Rigged up tubing equipment. RIH with open ended tubing to 5211'. Spotted 60 sacks Class C Neat cement from 5211-5000'. POOH. WOC. Shut well in for night.

3-8-10-2003 - RIH with tubing - did not tag plug. Spotted 60 sacks Class C Neat cement from 5211-5000'. POOH. WOC 4 hours. RIH with tubing and tagged cement plug at 5024'. Pulled up hole to 3902'. Spotted 45 sacks Class C Neat cement from 3902-3800'. POOH. WOC. Shut well in for night.

3-11-2003 - RIH with tubing and tagged cement at 3779'. Pulled up hole to 1812'. Spotted 45 sacks Class C Neat cement from 1812-1700'. POOH. WOC 4 hours. RIH with tubing and tagged cement at 1693'. Pulled up hole to 976'. Spotted 45 sacks Class C Neat cement from 976-875'. POOH. WOC. Shut well in for night.

3-12-2003 - RIH.with tubing and tagged cement at 842'. Pulled up hole to 467'. Spotted 45 sacks Class C Neat cement from 467-354'. POOH. WOC 4 hours. RIH with tubing and tagged cement at 327'. POOH with tubing. Rigged down tubing equipment. Nippled down BOP and wellhead. RIH to 60'. Circulated 20 sacks Class C Neat cement from 60' to surface. POOH with tubing. Rigged down pulling unit and plugging equipment. Installed regulation abandonment marker. PLUGGED AND ABANDONED - FINAL REPORT. Plugging completed March 11, 2003.

m, 2003

Lori Wrotenbery



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Covernor **Betty Rivera** Cabinet Secretary

Director Rockin R RES N JUST
PAST Crossback Oil Conservation Division

Yates Petroleum Corporation 105 South 4th Street Artesia, New Mexico 88210

1-Sec 12-T195-R24E-30-015-22746 Form C-103 Report of Plugging for your Irish Hills Cannot be approved until an NMOCD representative has made an inspection of the location and found it to be cleared to comply with OCD rules and regulations. Please check each item in the space provided to indicate that the work has been accomplished and the location is ready for final inspection.

- 1. All pits have been filled and leveled.
- 2. Rat hole and cellar have been filled and leveled.
- 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete to mark the exact location of the plugged well. (Marker must have operator name, lease name, well number and location including quarter/quarter section or unit letter, section, township, range and API well ID number permanently welded, stamped or otherwise engraved into the metal marker.)
- 1. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- 5. The dead men and tie downs have been cut and removed.
- 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been Leveled and cleared of all junk & equipment.
- 7. All environmental concerns have been addressed as per OCD guidelines.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by completing, signing and returning this letter to us so that our representative will not have to make more than one trip to the location.

I certify that the above work has been done and the above-mentioned lease is ready for OCD inspection and approval.

Van Barton Field Rep. II