

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
May 27, 2004

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

WELL API NO. 30-005-63686
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 Eubanks BEN Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Undesignated Precambrian

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	RECEIVED MAY 12 2005 OCU-ARTESIA
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210	
4. Well Location Unit Letter O : 1200 feet from the South line and 1420 feet from the East line Section 22 Township 9S Range 24E NMPM Chaves County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3577'GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. 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 COMPL <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 ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Spud, surface and intermediate casing <input checked="" type="checkbox"/>
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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.

4/28/05 - Spudded 26" conductor hole at 1:00 PM. Set 40' of 20" conductor and redi-mix to surface.

4/30/05 - Resumed drilling at 11:00 PM.

5/1/05 - Lost circulation at 410'. Worked out of hole to 400' - freed up. TIH to 400'-449' stuck. Work stuck drill string free. Worked out of hole to 338' - freed up. Picked up to 406'. Pumped 200 sx RFC with 5 pps D24 + .24#/sx 29 (yld 1.6, wt 14.2) and 100 sx "C" with 2% CaCl2 (yld 1.32, wt 14.8). WOC.

5/2/05 - Washed and reamed with 17-1/2" bit to 876'.

5/3/05 - Set 13-3/8" 48# H-40 ST&C 8rd casing at 876'. Cemented with 200 sx RFC (yld 1.6, wt 14.2) and 800 sx 35:65 Poz "C" (yld 2.1, wt 12.1). Tailed in with 200 sx "C" with 2% CaCl2 (yld 1.32, wt 14.8). Cement did not circulate. TOC 175' TS. Tested casing to 600 psi for 30 min. WOC 18 hrs. Ran 1" cement to surface with 150 sx "C" with 3% CaCl2. WOC 18 hrs. Reduced hole and resumed drilling.

5/6/05 - Set 8-5/8" 24# J-55 ST&C casing at 1631'. Cemented with 200 sx RFC + 6#/sx D31 + .25#/sx D24 (yld 1.6, wt 14.2) and 600 sx 35:65 Poz "C" + 6% D20 + 5% D44 + 3% SL + 0.2% D46 + 0.25#/sx D28 + 5#/sx D24 (yld 2.1, wt 12.6). Tailed in with 200 sx "C" + 2% SI (yld 1.32, wt 14.8). Cement did not circulate. TOC 1050' TS. Ran 1" cement to surface with 290 sx "C" with 4% CaCl2. Tested casing to 1000 psi for 30 min. WOC 26 hrs. Reduced hole to 7-7/8" and resumed drilling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE May 10, 2005

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

For State Use Only

APPROVED BY: _____ TITLE _____

Conditions of Approval (if any): _____

FOR RECORDS ONLY

MAY 15 2005
DATE