

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

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|---|
| WELL API NO. 30-015-33938 |
| 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 Louise AYI |
| 8. Well Number 2 |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Burton Flat; 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 Gas Well Other **RECEIVED**

2. Name of Operator
 Yates Petroleum Corporation
 JUN 15 2005

3. Address of Operator
 105 S. 4th Street, Artesia, NM 88210
~~OCD-ARTESIA~~

4. Well Location
 Unit Letter B : 990 feet from the North line and 1550 feet from the East line
 Section 25 Township 21S Range 26E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3167'GR

Pit or Below-grade Tank Application or Closure
 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 PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 OTHER:

SUBSEQUENT REPORT OF:
 REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. PLUG AND ABANDON
 CASING/CEMENT JOB
 OTHER: Spud

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.

6/6/05 – Spudded 26” conductor hole at 5:00 PM. Set 40’ of 20” conductor.
 6/11/05 – Resumed drilling at 8:15 AM.

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 June 13, 2005

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

For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE JUN 24 2005
 Conditions of Approval (if any): _____