

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, 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 March 25, 1999

WELL API NO.
 30-015-22548

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:
 KENNEDY JQ

8. Well No.

9. Pool name or Wildcat
 KENNEDY FARMS MORROW
 KENNEDY FARMS UPPER PENN

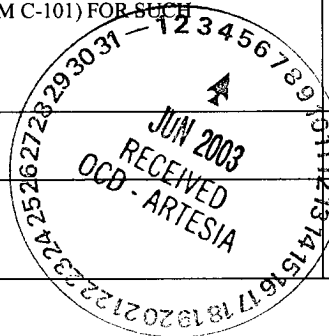
SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
 YATES PETROLEUM CORPORATION

3. Address of Operator
 105 SOUTH 4TH, ARTESIA, NM 88210

4. Well Location
 Unit Letter H : 2510 feet from the FNL line and 660 feet from the FEL line
 Section 33 Township 17S Range 26E NMPM EDDY County



10. Elevation (Show whether DR, RKB, RT, GR, etc.)

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"/>	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: SHUT IN <input checked="" type="checkbox"/>	

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 recompilation.

Well was shut in on 5-30-03 to test the Kennedy JQ #2 in the morrow zn. A locking device has been placed on the ball valve at the wellhead on the vent and sales line. BLM seals also have been used. Seal #'s - 210722 and 210723.
 Verbal was received by Brian w/ Artesia OCD May 29, 2003.

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

SIGNATURE Michelle Taylor TITLE Regulatory Compliance Mgr. DATE 6/3/03

Type or print name Michelle Taylor Telephone No. 505-748-1471

APPROVED BY Jim W. Beem TITLE District Supervisor DATE JUN 09 2003

Conditions of approval, if any: For 6 months to 12/19/2003