

DISTRICT I

1625 N. French Dr., Hobbs NM 88240

DISTRICT II

1301 W. Grand Avenue, 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, New Mexico 87504-2088

Form C-103

Revised March 25, 1999

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.)		WELL API NO. 30-025-36581
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VA-1991
3. Address of Operator 105 South 4th Str., Artesia, NM 88210		7. Lease Name or Unit Agreement Name Merle State Unit
4. Well Location Unit Letter O : 1250 feet from the South line and 1650 feet from the East line Section 13 Township 10S Range 34E NMPM County Lea		8. Well No. 1
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4158' GR		9. Pool Name or Wildcat Wildcat Mississippian

11. 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 COMPLETION ☐
OTHER: ☐

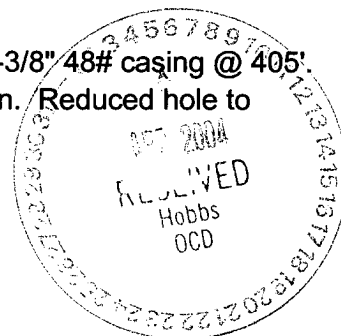
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Spud and Surface Casing ☒

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

3-27-04 Spudded well @ 7:00 p.m. Set 40' of 20" conductor pipe. Notified Sylvia Dickey w/Hobbs OCD via voice mail.

3-29-04 RU rotary tools and resumed drilling. TD 17-1/2" hole to 405' and set 13-3/8" 48# casing @ 405'. Cemented w/400 sx Class C w/additives. Cement circulated. WOC 18 hrs, 45 min. Reduced hole to 12-1/4" and resumed drilling.



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

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 4/1/04

Type or print name Stormi Davis Telephone No. 505-748-1471

(This space for State use)

APPROVED BY Harry W. Wink DATE APR 05 2004

Conditions of approval, if any:

OCD FIELD REPRESENTATIVE II/STAFF MANAGER