

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

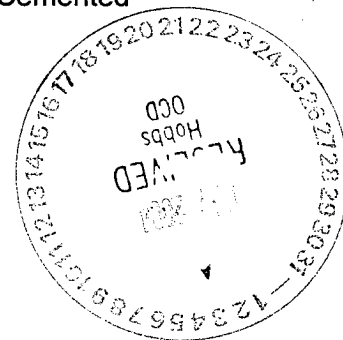
<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-025-36523</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other _____</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. VO-1611</p>
<p>3. Address of Operator 105 S. 4th Str., Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Lagarto AMZ State</p>
<p>4. Well Location Unit Letter <u>J</u> : <u>1890</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>1</u> Township <u>11S</u> Range <u>34E</u> NMPM _____ County <u>Lea</u></p>		<p>8. Well Number 2</p>
<p>11. Elevation (Show whether DF, RKB, RT, GR, etc.) 4180' GR</p>		<p>9. OGRID Number 25575</p>
		<p>10. Pool Name or Wildcat Sand Springs; Mississippian (Gas)</p>

12. 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: <u>Production Casing</u>	<input checked="" type="checkbox"/>

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.

4-23-04 TD 8-3/4" hole to 12700' @ 3:30 p.m. Ran 5-1/2" 17# casing set @ 12700'. Cemented w/1425 sx Interfill "H" w/additives. Tailed in w/1475 sx Super "H" w/additives.



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

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 4/29/04

Type or print name Stormi Davis Email address _____ Telephone No. 505-748-1428

(This space for State use)
APPROVED BY Gary W. Wink ORIGINAL SIGNED BY GARY W. WINK DATE MAY 11 2004
Conditions of approval, if any: OG FIELD REPRESENTATIVE II/STAFF MANAGER