

Submit 3 copies to Appropriate District Office

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

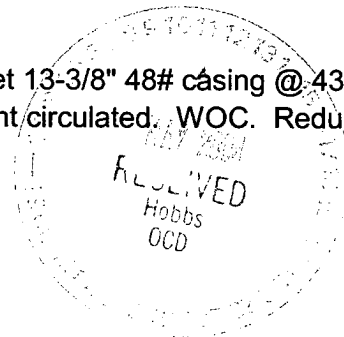
Form C-103

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. 30-025-36580																				
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. VO-5609																				
3. Address of Operator 105 South 4th Str., Artesia, NM 88210		7. Lease Name or Unit Agreement Name Waylon State Unit																				
4. Well Location Unit Letter <u>N</u> : <u>660</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>21</u> Township <u>11S</u> Range <u>34E</u> NMPM County <u>Lea</u>		8. Well No. 3																				
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4183' GR		9. Pool Name or Wildcat Wildcat Mississippian																				
11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data																						
<table border="0"><tr><td colspan="2">NOTICE OF INTENTION TO:</td><td colspan="2">SUBSEQUENT REPORT OF:</td></tr><tr><td>PERFORM REMEDIAL WORK <input type="checkbox"/></td><td>PLUG AND ABANDON <input type="checkbox"/></td><td>REMEDIAL WORK <input type="checkbox"/></td><td>ALTERING CASING <input type="checkbox"/></td></tr><tr><td>TEMPORARILY ABANDON <input type="checkbox"/></td><td>CHANGE PLANS <input type="checkbox"/></td><td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td><td>PLUG AND ABANDONMENT <input type="checkbox"/></td></tr><tr><td>PULL OR ALTER CASING <input type="checkbox"/></td><td>MULTIPLE COMPLETION <input type="checkbox"/></td><td>CASING TEST AND CEMENT JOB <input type="checkbox"/></td><td></td></tr><tr><td>OTHER: <input type="checkbox"/></td><td></td><td>OTHER: <u>Spud & Surface Casing</u></td><td><input checked="" type="checkbox"/></td></tr></table>			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>Spud & Surface Casing</u>	<input checked="" type="checkbox"/>
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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.																						

4-24-04 Spudded well @ 1:30 p.m. Set 40' of 20" conductor pipe. Cemented w/redi-mix. Called NMOCD and notified of spud.

4-30-04 RU rotary tools and resumed drilling. TD 17-1/2" hole to 430' and set 13-3/8" 48# casing @ 430'. Cemented w/220 sx Premium Plus w/additives and tailed in w/300 sx. Cement circulated. WOC. 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 5/3/04

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

(This space for State use)
APPROVED BY Larry W. White TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAY 13 2004
Conditions of approval, if any: