

State of New Mexico Energy, Minerals and Natural Resources

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

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-35374
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. VA-1913
7. Lease Name or Unit Agreement Name Indigo State Unit
8. Well No. 3
9. Pool Name or Wildcat Four Lakes Morrow Gas
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4150' GR

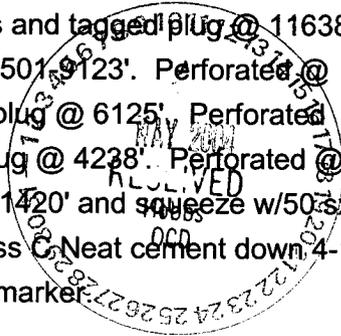
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [ ] Gas Well [X] Other
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South 4th Str., Artesia, NM 88210
4. Well Location Unit Letter M : 660 feet from the South line and 990 feet from the West line Section 5 Township 12S Range 35E NMPM County Lea

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 [X] CASING TEST AND CEMENT JOB [ ] OTHER: [ ]

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.

4-20-04 to 5-5-04 Plugged well as follows:

Set CIBP @ 12100' and spotted 40 sx Class C Neat cement. WOC 4 hrs and tagged plug @ 11638'. Perforated 4-1/2" casing @ 9450'. Spotted 25 sx Class C Neat cement 9501-9123'. Perforated @ 6350'. Spotted 25 sx Class C Neat cement @ 6396'. WOC and tagged plug @ 6125'. Perforated @ 4345'. Squeezed w/50 sx Class C Neat cement. WOC and tagged plug @ 4238'. Perforated @ 1700'. Squeezed w/50 sx Class C Neat cement. WOC 4 hrs. Pull up to 1420' and squeeze w/50 sx Class C Neat cement. WOC. Perforated @ 468'. Circulated 125 sx Class C Neat cement down 4-1/2" and up to surface of 8-5/8". WOC. Cut off wellhead and install dry-hole marker.



WELL IS PLUGGED AND ABANDONED. FINAL REPORT.

Approved as to plugging of the Well Bore. Liability under bond is retained until surface restoration is completed.

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 5/6/04
Type or print name Stormi Davis Telephone No. 505-748-1471

APPROVED BY Gary W. Winkler FIELD REPRESENTATIVE II / STAFF MANAGER DATE MAY 13 2004