Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office March 4, 2004 Energy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 30-025-36713 District II OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease District III 1220 South St. Francis Dr. STATE X FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 VO-6057 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 Dolly BER State Com PROPOSALS.) 8. Well Number 1. Type of Well: Gas Well X Other Oil Well 2. Name of Operator 9. OGRID Number Yates Petroleum Corporation 025575 3. Address of Operator 4. Pool name or Wildcat 105 South Fourth Street, Artesia, NM 88210 Sand Springs; Mississippian (Gas) 4. Well Location 660 feet from the Unit Letter South line and 660 feet from the West line Section Township 10S Range **NMPM** Lea County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4201' GR Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached) Pit Location: UL____Sect___Twp___Rng___Pit type____ Depth to Groundwater_ Distance from nearest fresh water well Sect Twp Distance from nearest surface water______ Below-grade Tank Location UL ___feet from the __ feet from the ___ line and 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMEN PULL OR ALTER CASING MULTIPLE CASING TEST AND COMPLETION CEMENT JOB OTHER: OTHER: 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. 6-14-04 Spudded rathole @ 11:30 a.m. Notified Sylvia Dickey w/Hobbs OCD. Set 40' of 20" conductor and cemented w/redi-mix. I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines ___, a general permit ___ or an (attached) alternative OCD-approved plan ____. SIGNATURE: TITLE: Regulatory Compliance Technician DATE: 6-17-04 Type or print name: Stormi Davis E-mail address: Telephone No. 505-748-1471 (This space for State use) CRITICAL REPRESENTATIVE TIVE TAFF MANAGER

APPPROVED BY Conditions of approval, if an