

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., 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

Form C-103
Revised May 08, 2003

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

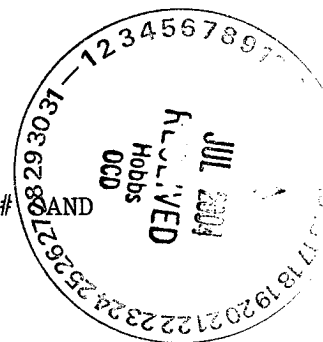
WELL API NO. 30-025-10790
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 016406
7. Lease Name or Unit Agreement Name E. L. STEELER
8. Well Number 8
9. OGRID Number 02-5504
10. Pool name or Wildcat JALMAT

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator YARBROUGH OIL, L.P.	
3. Address of Operator P. O. BOX 1769 EUNICE, NM 88231	
4. Well Location Unit Letter <u>G</u> : 1980 feet from the <u>NORTH</u> line and 1980 feet from the <u>EAST</u> line Section <u>17</u> Township <u>23S</u> Range <u>37E</u> NMPM LEA County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input checked="" type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input 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. 07-01-04 TO 07-08-04

1. PULLED RODS & TUBING
2. INSTALL B.O.P.
3. SET CAST B.P. @ 3100'
4. PERF. CASING 2643-2882
5. ACIDIZED WITH 2000 GAL. 10% N.E.F.E. ACID
6. FRACKED - HALLIBURTON - 2000 BBL. GEL FRAC & 40,000# SAND
7. TEST WELL 200 T # 80 FLOWED 161 MCF GAS
8. TURNED WELL THROUGH DYNEGY METER 07-09-04



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

SIGNATURE Paul Prather TITLE PARTNER DATE 07-12-04

Type or print name PAUL PRATHER

Telephone No. 505 394 2756

(This space for State use)

APPROVED BY Paul Prather TITLE PETROLEUM ENGINEER DATE

Conditions of approval, if any:

2A Langrie Mathis