

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
 May 27, 2004

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

WELL API NO. 30-025-36907
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1896
7. Lease Name or Unit Agreement Name Cash State Unit
8. Well Number 4
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat Mississippian (Gas)

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 Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
 Unit Letter P : 660 feet from the South line and 660 feet from the East line
 Section 10 Township 11S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4156' GR

Pit or Below-grade Tank Application or Closure

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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"/>	P & A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud and Surface & Intermediate Casing <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.

2-7-05 Spudded well. Set 40' of 20" conductor pipe. Notified Sylvia Dickey w/NMOCD via voice mail.

2-12-05 MIRT and resumed drilling @ 2:00 a.m. TD 17-1/2" hole to 430'. Set 13-3/8" 48# casing @ 430'. Cemented w/220 sx Premium Plus w/additives and tailed in w/200 sx. Cement circulated. WOC. Tested casing to 600# for 30 min. WOC 26 hrs, 45 min. Reduced hole to 12-1/4" and resumed drilling.

2-19-05 TD 12-1/4" hole to 4108'. Set 9-5/8" 36# and 40# casing @ 4108'. Cemented w/1170 sx Halliburton Lite Premium Plus w/additives and tailed in w/200 sx. Circulated cement to surface. Tested casing to 1500#. WOC 42 hrs, 15 min. Reduced hole to 8-3/4" and resumed drilling.

RECEIVED
 Hobbs
 OGD

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 below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 2-26-05

Type or print name Stormi Davis E-mail address: stormid@ypcnm.com Telephone No. 505-748-1471

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAR 03 2005

Conditions of Approval (if any):