Submit 3 Copies To Appropriate District Office District I  State of New Mexico Energy, Minerals and Natural Resources	Form C-103 May 27, 2004
1625 N. French Dr., Hobbs, NM 88240	WELL API NO.
District II 1301 W. Grand Ave., Artesia, NM 88210 OIL CONSERVATION DIVISION	30-025-36915 5. Indicate Type of Lease
District III 1220 South St. Francis Dr. 1200 Rio Brazos Rd., Aztec, NM 87410	STATE STATE STATE
District IV Santa Fe, INM 8/303	6. State Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505	VA-2360
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	7. Lease Name or Unit Agreement Name  Merle State Unit
PROPOSALS.)  1. Type of Well: Oil Well  Gas Well  Other	8. Well Number 2
Name of Operator     Yates Petroleum Corporation	9. OGRID Number 025575
3. Address of Operator	10. Pool name or Wildcat
105 S. 4 <sup>th</sup> Street, Artesia, NM 88210	Wildcat San Andres
	990 feet from the <u>East</u> line
Section 7 Township 10S Range 35E	NMPM Lea County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4152' GR	
Pit or Below-grade Tank Application or Closure  Pit type Depth to Groundwater Distance from nearest fresh water well Distance fresh distanc	rance from pagreet surface water
	nstruction Material
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
	SEQUENT REPORT OF:
PERFORM REMEDIAL WORK  PLUG AND ABANDON  REMEDIAL WORK	<del>_</del>
TEMPORARILY ABANDON	
_	
OTHER:  OTHER:  OTHER:	Completion Operations
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.	
<b>2-3-05</b> Perforated Austin-Mississippian lime (2 JSPF) 12268-95' (54) and 12596-620' (48) for total of 102 .42" holes.	
2-3-05 Periorated Austin-Mississippian line (2 JSFF) 12206-93 (34) and 12390-020 (46) for total of 102 .42 holes.  2-7-05 Acidized 12596-620' w/2000 gal 15% NEFE w/50 balls.	
<b>2-9-05</b> Acidized 12268-95' w/2000 gal 15% NEFE w/60 balls.	
2-13-05 Set 5-1/2" CIBP @ 12230' and capped w/35' cement.	1 4 8 3 B
2-14-05 Perforated Atoka (6 JSPF) 12037-47' (60) and 12093-96' (18) for total of 78 .42" holes.  2-15-05 Acidized 12037-96' w/1500 gal 7-1/2% Morrow acid w/85 ball sealers.	
2-18-05 Set 5-1/2" CIBP @ 12000' and capped w/35' cement. Perforated Upper Atoka (6 JSPF) 11832-43' w/66-42" holes.	
<b>2-22-05</b> Acidized 11832-43' w/2000 gal 7-1/2% Morrow acid w/75 balls.	
<b>2-24-05</b> Perforated Upper Atoka 11770-76' w/36 .42" holes. <b>2-28-05</b> Acidized 11770-76' w/1000 gal 7-1/2% Morrow acid w/40 balls.	260€ 600 2 12 3
7-22-05 Set 5-1/2" CIBP @ 11750' and capped w/35' cement. Perforated Canyon lime (2 JSPF) 10411-17' w/12 .42" holes.	
7-26-05 Acidized Canyon w/1500 gal 15% NEFE acid w/15 ball sealers.	
7-29-05 Set 5-1/2" CIBP @ 10390' and dumped 35' cement on top. 8-1-05 Perforated Bough lime (2 JSPF) 9894-9904' (20), 9925-33' (16) and 9975-86' (22)	for total of 58, 42" hales
6-1-03 Terrorated Bough link (2 331 F) 3634-3304 (20), 3323-33 (10) and 3373-80 (22)	
	Continued on Page 2
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 Storm Donnis TITLE Regulatory Complia	nce Technician DATE 2-6-06
Type or print name Stormi Davis E-mail address:	Telephone No. <u>505-748-1471</u>
For State Use Only	•
APPROVED BY: Hay WILLIAM DEFFELD REPRESENTATIVE II/STAFF MANAGER  DATE MAR 2 3 2006	
Conditions of Approval (if any):	MAR 2 3 2006

Page 2 (Form C-103) Merle State Unit 2 API #30-025-36915 Sec 7-T10S-R35E

8-2-05 Acidized 9975-86' w/1500 gal 15% NEFE w/25 balls.

**8-4-05** Set 5-1/2" CIBP @ 9852' and capped w/35' cement. Perforated Wolfcamp lime (2 JSPF) 9250-68' w/28 .42" holes.

8-5-05 Acidized Wolfcamp w/1500 gal 15% NEFE acid w/40 balls.

**8-9-05** Set 5-1/2" CIBP @ 9230' and capped w/35' cement. Perforated Abo (2 JSPF) 9100-11' (22), 9116-21' (10), 9124-28' (8) and 9137-44' (14) for total of 54 .42" holes.

8-10-05 Acidized Abo w/3000 gal 15% NEFE w/60 balls.

**12-18-05** Set CIBP @ 9050' and capped w/35' cement on top. Perforated San Andres 4806-19' and 4860-84' (1 SPF) w/37 .42" holes. Spotted 150 gal 15% IC HCl.

**12-21-05** Perforated San Andres 4952-64', 4986-90', 5051-55' and 5068-74' (1 SPF) w/26 .42" holes. Spotted 5 bbls 15% IC HCl over perfs.

2-7-8" tubing @ 4722'

Signature

2-6-06

Date