

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
June 19, 2008

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

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.)		WELL API NO. 30-025-36985
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VA-1347
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name East Sand Springs BGE State Com
4. Well Location Unit Letter <u>D</u> : <u>1040</u> feet from the <u>North</u> line and <u>1040</u> feet from the <u>West</u> line Section <u>35</u> Township <u>10S</u> Range <u>34E</u> NMPM Lea County		8. Well Number 9
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4183' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Sand Spring; Atoka-Morrow

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 AND-A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Plug Back & Recomplete <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.

10/01/08 Set CIBP @ 12,300' w/35' cement. Perforated Morrow 12,159-12,172' (78).
10/02/08 Acidized w/500 gal 7-1/2% HCl acid & 85 balls.
10/07/08 Set CIBP @ 12,150'. Perforated Atoka 12,064-12,126' (92).
10/08/08 Acidized w/3000 gal 7-1/2% Morrow acid with 1000/SCF N2.

RECOMPLETION UNSUCCESSFUL. PROPOSAL TO PLUG BACK TO FOLLOW.

Spud Date:

Rig Release Date:

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

SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE 10/21/08

Type or print name Allison Barton E-mail address: abarton@ypcmm.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE OCT 28 2008

Conditions of Approval (if any):

2A Sand Springs Mississippian (Gas)