Revised 1-1-89 to Appropriate District Office State of New Mexico Energy, Minerals and Natural Resources Department DISTRICT I P.O. Box 1980, Hobbs NM 88240 30-025-35422 OIL CONSERVATION DIVISION DISTRICT II P.O. Box 2088 P.O. Drawer DD, Artesia NM 88210 Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease DISTRICT III State X Fee 1000 Rio Brazos Rd., Aztec NM 87410 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) Morton Unit 1. Type of Well OIL GAS WELL X OTHER WELL 2. Name of Operator 3 YATES PETROLEUM CORPORATION 9. Pool Name or Wildca 3 Address of Operator 105 South 4th Street, Artesia. NM 88210 Morton Mississippian 4 Well Location South East Unit Letter 800 Feet From The Line and Feet From The Line COUNTY 35E **NMPM** Section Township 14S Range Lea 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4176' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11 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 ABANDONMENT CASING TEST AND CEMENT JOB PULL OR ALTER CASING OTHER Drill OTHER 12. Describe Proposed or Completed Operations (Clearly state all pertient details, and give pertinenet dates, including estimated date of starting any proposed work) SEE RULE 1103. 7-16-2001 - Drilled 5' of new hole (12-1/4"). TD 45'. Shut down. Notified Sylvia Dickey w/OCD - Hobbs via voice mail. Operations Technician 5-Nov-01 Donna Clack TELEPHONE NO. 505-748-1471 TYPE OR PRINT NAME

TITLE

DATE

3

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY