State of New Mexico Form C-103 Submit 3 Copies Minerals and Natural Resources Department Revised 1-1-89 Ener to Appropriate District Office OIL CONSERVATION DIVISION DISTRICT I WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-015-23978 Santa Fe, New Mexico 87504-2088 DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE X STATE 6. State Oil & Gas Lease No. 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 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: GAS WELL X OIL WELL Rio Penasco RT Com 8. Well No. 2. Name of Operator YATES PETROLEUM CORPORATION 9. Pool name or Wildcat 3. Address of Operator Undesignated Wolfcamp 105 South 4th St., Artesia, NM 4. Well Location 1980 Feet From The 660 East North Line Feet From The Unit Letter Eddy County **NMPM** 19S Township Range 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3479' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: **ALTERING CASING** PLUG AND ABANDON REMEDIAL WORK PERFORM REMEDIAL WORK PLUG AND ABANDONMENT COMMENCE DRILLING OPNS. **CHANGE PLANS** TEMPORARILY ABANDON CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Add perforations in Wolfcamp X OTHER:_ 12. 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. Propose to temporarily isolate production perforations 6072-6108' (Wolfcamp) and add perforations in Wolfcamp as follows: Set standing valve in packer at 6035'. Nipple down tree and nipple up and test BOP. Release tubing from packer at on/off tool and TOOH. Set RBP at 5800'±. Pressure test RBP and casing. TIH w/casing gun and perforate 5738-5750' w/49 holes TIH w/packer to 5700' and acidize perforations 5738 50. 3. Swab test. If new zone is productive, will place into production with Fre 2 th reactions 6072-6108'. OIL CON. DIV. DIST. I hereby certify that the information above is true and complete to the best of my knowledge and belief. 2-22-95 Production Clerk SIGNATURE -TELEPHONE NO. 505/748-1471 Rusty Klein TYPE OR PRINT NAME original signed by tim w. Gum (This space for State Use) FEB 2 7 1995 BUSINESS I TORRISIS

APPROVED BY-

CONDITIONS OF APPROVAL, IF ANY: