

Subm. 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department.

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-26466
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Ceniza AGZ Com
8. Well No.	2
9. Pool name or Wildcat	Cemetery Morrow

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator YATES PETROLEUM CORPORATION	
3. Address of Operator 105 South 4th St., Artesia, NM 88210	
4. Well Location Unit Letter M : 660 Feet From The South Line and 725 Feet From The West Line Section 12 Township 20S Range 24E NMPM Eddy County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3602' GR	

11. 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Abandon Canyon & recomple to Morrow <input checked="" type="checkbox"/>

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.

7-21-98 - Moved in and rigged up pulling unit. Unseat pump. Hot watered tubing with 75 bbls. TOOH and laid down rods. Released tubing anchor. Nipped up BOP. TOOH with 2-7/8" production tubing. Rigged up wireline. TIH with gauge ring and junk basket to 7948'. TOOH. Shut well in.

7-22-98 - TIH with bit, drill collars and tubing and tagged PBTB at 9400'. TOOH. Rigged up wireline. TIH with cement retainer and set retainer at 7655'. TOOH with wireline and rigged wireline down. TIH with stinger on 2-7/8" tubing. Sting into retainer. Spaced out. Could not load annulus. Attempt to wash out retainer valve. Washed seals off stinger. Shut down.

7-23-98 - Pickled tubing with 500 gallons 15% HCL acid. Reversed out. TOOH with tubing and stinger. Bottom of stinger egged and flared out. Found 2 pieces of metal. Slips lodged in stinger. TIH with new stinger to open sleeve in retainer. Could not get in retainer. TOOH.

7-24-98 - TIH with 5-13/16" OD shoe with 6-7/8" OD cutrite smoothed, drill collars and

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 4, 1998

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

APPROVED BY _____ TITLE _____ DATE 8-5-98

CONDITIONS OF APPROVAL, IF ANY: