

Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

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

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

JUL 19 1993

WELL API NO. 30-015-27040

5. Indicate Type of Lease: STATE [X] FEE [ ]

6. State Oil & Gas Lease No. E-2781

SUNDRY NOTICES AND REPORTS ON WELLS... (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO LOG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

State CO Com

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER [ ]

8. Well No. 8

2. Name of Operator YATES PETROLEUM CORPORATION

9. Pool name or Wildcat North Dagger Draw U/Penn

3. Address of Operator 105 South 4th St., Artesia, NM 88210

4. Well Location Unit Letter C : 916 Feet From The North Line and 1980 Feet From The West Line

Section 36 Township 19S Range 24E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3606' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [ ], PLUG AND ABANDON [ ], TEMPORARILY ABANDON [ ], CHANGE PLANS [ ], PULL OR ALTER CASING [ ], OTHER: [ ]. SUBSEQUENT REPORT OF: REMEDIAL WORK [ ], ALTERING CASING [ ], COMMENCE DRILLING OPNS. [ ], PLUG AND ABANDONMENT [ ], CASING TEST AND CEMENT JOB [ ], OTHER: Perforations & treatment [XX]

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.

Moved in and rigged up pulling unit. POOH w/pump. WIH w/packer on tubing. Set packer at 7740'. Treated open hole section 7764-7864' w/3000 gallons 20% HCL NEFE acid with scale and paraffin inhibitor. Pulled packer and tubing. WIH and perforated 7724-7740' w/18 .42" holes as follows: 7724, 26, 28, 29, 32, 34, 36, 38 & 7740' and 7674-7693' w/18 .42" holes as follows: 7674, 75, 78, 80, 82, 84, 87, 91 & 7693'. WIH w/RBP and packer. Set RBP below perforations 7724-7740'. Tested to 1500#. Set packer above perforations at 7724'. Pumped down hole. Went on vacuum. Tried to load backside. Unable to. Perforations 7674-7693' taking fluid. Unset packer. Retested RBP and held. Moved packer above all perforations and reset. Acidized with 21200 gallons 20% NEFE HCL acid with scale and paraffin inhibitor w/ball sealers. POOH w/RBP and packer. Went back in hole with packer and set above perforations. Swabbing. Turned to production department.

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

SIGNATURE [Signature] TITLE Production Clerk DATE July 12, 1993

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

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY MIKE WILLIAMS SUPERVISOR, DISTRICT II DATE JUL 20 1993

CONDITIONS OF APPROVAL, IF ANY: