State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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

RECEIVED
APR 5 1991
O. C. D.
ARTESIA OFFICE

| WELL API NO. |
| 30-015-26497 |

5. Indicate Type of Lease   STATE [XX]   FEE [ ]

6. State Oil & Gas Lease No.
V-3346

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.)

7. Lease Name or Unit Agreement Name

Loving AIB State

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

2. Name of Operator
YATES PETROLEUM CORPORATION   (505) 748-1471

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

8. Well No.
2

9. Pool name or Wildcat
South Loving Delaware

4. Well Location

Unit Letter __J__ : __2080__ Feet From The __South__ Line and __2040__ Feet From The __East__ Line

Section __16__   Township __23S__   Range __28E__   NMPM   __Eddy__   County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3016' 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: Frac well   [X]

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.

12-20-90. Frac'd perfs 6032-6054' (via 2-7/8" tubing) w/20000 gals gel X-linked 2% KCl water + 41000# 20/40 sand.

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

SIGNATURE _____   TITLE Production Supervisor   DATE 4-4-91

TYPE OR PRINT NAME Juanita Goodlett   TELEPHONE NO. 505/748-1471

(This space for State Use)   ORIGINAL SIGNED BY
MIKE WILLIAMS
APPROVED BY SUPERVISOR, DISTRICT II   TITLE _____   DATE APR 12 1991

CONDITIONS OF APPROVAL, IF ANY: