

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.
30-025-22111

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

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
Childress AKV

1. Type of Well:
Oil Well GAS Well OTHER

8. Well No.
2

2. Name of Operator
YATES PETROLEUM CORPORATION

9. Pool name or Wildcat
~~Saunders Permo Upper Penn~~ **Lazy J**

3. Address of Operator
105 South Fourth Street - Artesia, NM 88210

4. Well Location
Unit Letter L : 1980 Feet From The South Line and 660 Feet From The West Line
Section 1 Township 14S Range 33E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4196' DF

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Re-entry</u> <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.

8-16-94 - TOOH with dress off mill. Laid down 4-3/4" drill collars. Pilot collar and 4-3/4" bit left in 5-1/2" casing. Pin broke in shoe. Installed 5-1/2" rams and BOP. Made up 7-5/8" slip joint and welded 1st stand of 5-1/2". TIH w/141 joints of 5-1/2" 15.5# and 6 joints of 5-1/2" 17# casing. Tagged stub at 6609'. Rigged up pump. Pressured to 800#. Picked up on pipe. Lose pressure. Set down pressure to 1000#. Good indication slip joint over stub. Nippled down BOP. Set slips. Cut off and dress 5-1/2". Nippled up tubinghead and BOP. TIH w/4-3/4" overshot, jars & 6 3-1/2" drill collars. Set down on fish at 6609'. Swallow 1-1/2'. TOOH and laid down fish and jars. TIH with 4-3/4" bit and collars. Did not feel top of stub. Drilled cement from 6639-6740' - stringers. TIH to 6942'. Circulated clean. TOOH.

8-17-94 - TOOH with 4-3/4" bit. Rigged up Schlumberger. TIH w/4" casing gun 1' (4 shots) - Log CCL across casing splice. Perforated 4 holes at 6630'. Loaded hole with 17 bbls. Pumped thru perforations 2.5 BPM at 300 psi. Set 5-1/2" SV EZ drill retainer at 6570'. TIH with stinger and tubing. Sting into retainer. Pumped 40 bbls mud. Mixed and pumped 300 sacks Pacesetter Lite, 4/10% fluid loss, 260 sacks Pacesetter Lite. Tailed in with 100 sacks

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

SIGNATURE Rusty Klein TITLE Production Clerk DATE 8-24-94
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505-748-1471

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

WELL API NO. 30-025-22111
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No.

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 Childress AKV

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

8. Well No. 2

2. Name of Operator YATES PETROLEUM CORPORATION
3. Address of Operator 105 South Fourth Street - Artesia, NM 88210

9. Pool name or Wildcat Lazy J Saunders-Permo Upper Penn

4. Well Location Unit Letter L : 1980 Feet From The South Line and 660 Feet From The West Line Section 1 Township 14S Range 33E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4196' DF

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: Re-entry & completion [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. CONTINUED FROM PREVIOUS PAGE:

Class "H" Neat. Displaced with mud 1/2 short of retainer. Sting out of retainer. TOOH. Shut in. WOC. 8-23-94 - TIH w/4-3/4" bit, 6 3-1/2" drill collars. Tag cement at 6525'. Drill cement & retainer at 6570'. Fell out of cement at 6670'. Tested splice to 1000#. TIH to 7500'. Circulated up thick mud. TIH to 8800'. Rig up swivel. Wash down to 8890'. Pushed something ahead of bit to 8897'. Drilled to 8912'. Getting iron cuttings in returns - no rubber. Bit locked up. Circulated clean. TOOH. Bit worn out. Shut in and shut down for night.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE Rusty Klein TITLE Production Clerk DATE 8-24-94 TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505-748-1471

(This space for State Use) APPROVED BY _____ TITLE _____ DATE _____