

Submit 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.                         | 30-025-22062   |
| 5. Indicate Type of Lease            | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.         | V-3999   |
| 7. Lease Name or Unit Agreement Name | Union AQZ State  |
| 8. Well No.                          | 1  |
| 9. Pool name or Wildcat              | Kennnitz 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  GAS WELL  OTHER

2. Name of Operator  
YATES PETROLEUM CORPORATION

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

4. Well Location  
Unit Letter G : 1980 Feet From The North Line and 1980 Feet From The East Line  
Section 14 Township 16S Range 34E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
4070.3' 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: <u>Production casing &amp; cement</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.

TD 13473'. Reached TD at 11:00 AM 6-29-97. Ran 327 joints of 5-1/2" 17# casing as follows: 67 joints of 5-1/2" 17# M-95 8rd LT&C (2736.96'); 213 joints of 5-1/2" 17# L-80 8rd LT&C (8820.22') and 47 joints of 5-1/2" 17# M-95 8rd LT&C (1927.69') (Total 13484.87') of casing set at 13473'. Float shoe set at 13473'. Float collar set at 13429'. Pumped 500 gallons of mud flush ahead of 350 sacks 65-35 Poz "H", .6% gel, .7% FL-52 and 1/4#/sack celloflake (yield 1.99, weight 12.4). Tailed in with 1000 sacks 50-50 Poz "H", 2% gel, .3% CD-32, 1.3% FL-62, .3% BA-10 (yield 1.24, weight 14.3). PD 6:00 PM 7-1-97. Did not bump plug, float and casing held okay. WOC. Released rig at 12:00 AM 7-2-97. NOTE: Went 1 bbl over calculated displacement and shut down. Displaced with 10# brine.

Waiting on completion unit.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE July 9, 1997  
 TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-14

(This space for State Use) ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY: