

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

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

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

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

WELL API NO.	30-025-30788
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-639
7. Lease Name or Unit Agreement Name	Pegasus ARN State
8. Well No.	1
9. Pool name or Wildcat	Vacuum Atoka Morrow, North

**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 N : 660 Feet From The South Line and 1980 Feet From The West Line  
Section 30 Township 16S Range 35E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)  
4026' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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: Re-entry <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.

6-26-97 - Dig out cellar and cut off casing. Install 11" 5000# starting head. Dig re-entry pit.

6-27-97 - Moved in and rigged up pulling unit. Nippled up 11" X 5000# hydraulic BOP, 5000# choke manifold. Tested BOP and manifold to 4000 psi. Moved in reverse equipment.

6-28-97 - Moved in re-entry equipment. Unloaded 2-7/8" drillpipe. Prep to spud.

6-29-97 - Re-tested BOP to 4000 psi. TIH with 7-7/8" bit and 4-3/4" drill collar. Spudded on surface plug at 10:00 AM 6-28-97. Drilled to 225'. Circulated clean. TIH and tagged at 1785'. Drilled to 1941'. Circulated clean. TIH and tagged. Drilled from 2991-3035'. Circulated clean. TIH and tagged shoe plug at 4550'.

6-30-97 - Drilled to 4600'. TOOH - metal had bit locked down. Cleaned out bit and TIH. Drilled cement to 4700'. Drilled cement retainer. Washed down and tagged at 5663'. Washing down part of retainer under bit.

7-1-97 - Washed down to 6230'. Drilled to 6340'. Washed down to 6437'. Circulated. TIH. Tagged at 8135'. Drilled to 8323'. Circulated 1 hour. TIH. Tagged at 10340'. Drilled

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 8, 1997

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

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

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: