



Submit 3 Copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

Handwritten initials

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. 30-015-30635
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No. V-4100

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 [X] 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 : 330 Feet From The South Line and 1650 Feet From The West Line Section 34 Township 21S Range 31E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3465' GR

7. Lease Name or Unit Agreement Name Jacque AQJ State

8. Well No. 3

9. Pool name or Wildcat Lost Tank Delaware, West

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: Spud, conductor, resume drilling, surface casing & cement [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. Spudded a 26" hole with rat hole machine at 8:10 AM 5-11-99. Set 40' of 20" conductor pipe. Cemented to surface. NOTE: Notified Mike w/OCD-Artesia of spud. Resumed drilling a 17-1/2" hole with rotary tools at 10:00 PM 5-12-99.

TD 850'. Reached TD at 6:45 AM 5-14-99. Ran 19 joints of 13-3/8" 48# H-40 8rd ST&C (854.95') of casing set at 850'. 1-Texas Pattern notched guide shoe set at 850'. Insert float set at 809'. Cemented with 470 sacks Halliburton Lite Premium Plus, 1/4#/sack flocele and 5#/sack gilsonite (yield 1.96, weight 12.5). Tailed in with 200 sacks Halliburton Premium Plus and 2% CaCl2 (yield 1.34, weight 14.8). PD 1:00 PM 5-14-99. Bumped plug to 514 psi, OK. Circulated 170 sacks. WOC. Nippled up and tested to 1000 psi for 5 minutes, OK. Drilled out at 2:00 PM 5-15-99. WOC 25 hours. Reduced hole to 11". Resumed drilling. NOTE: Cementing witnessed by E. L. Martinez w/OCD-Artesia.

Gonzales

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE [Signature] TITLE Operations Technician DATE May 20, 1999 TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use) ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR DATE 5-26-99 APPROVED BY [Signature] TITLE [ ] CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate District Office  
 State Lease - 6 copies  
 Fee Lease - 5 copies  
**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-105  
 Revised 1-1-89

**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.  
 30-015-30635

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.  
 V-4100

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

1a. Type of Well:  
 OIL WELL  GAS WELL  DRY  OTHER \_\_\_\_\_

b. Type of Completion:  
 NEW WELL  WORK OVER  DEEPEN  FLUG BACK  DDP RESVR  OTHER \_\_\_\_\_

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

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

7. Lease Name or Unit Agreement Name  
 Jacque AQJ State

8. Well No.  
 3

9. Pool name or Wildcat  
 Lost Tank Delaware, West

4. Well Location  
 Unit Letter N : 330 Feet From The South Line and 1650 Feet From The West Line

Section 34 Township 21S Range 31E NMPM Eddy County

10. Date Spudded  
 RH 5-11-99  
 RT 5-12-99

11. Date T.D. Reached  
 5-28-99

12. Date Compl. (Ready to Prod.)  
 6-13-99

13. Elevations (DF & RKB, RT, GR, etc.)  
 3465' GR

14. Elev. Casinghead

15. Total Depth  
 8129'

16. Plug Back T.D.  
 8092'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By  
 Rotary Tools  
 40-8129'

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
 6815-7876' Delaware

20. Was Directional Survey Made  
 No

21. Type Electric and Other Logs Run  
 CNL/LDC, Laterolog & Induction Log

22. Was Well Cored  
 No

**23. CASING RECORD (Report all strings set in well)**

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"		40'	26"	Cement to surface	
13-3/8"	48#	850'	17-1/2"	670 sx - circ	
8-5/8"	32#	3950'	11"	1050 sx - circ	
5-1/2"	17# & 15.5#	8129'	7-7/8"	1325 sx - circ	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	7812'	

26. Perforation record (interval, size, and number)  
 7837-7876' w/16 .42" holes  
 7586-7739' w/15 .42" holes  
 6815-6822' w/6 .42" holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.  
 DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
 SEE ATTACHED SHEET

**28. PRODUCTION**

Date First Production  
 6-13-99

Production Method (Flowing, gas lift, pumping - Size and type pump)  
 Pumping

Well Status (Prod. or Shut-in)  
 Producing

Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
6-21-99	24			137	117	403	854:1

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)
			137	117	403	N/A

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
 Sold

Test Witnessed By  
 Owen Meinke

30. List Attachments  
 Deviation Survey & Logs

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Rusty Klein Printed Name Rusty Klein Title Operations Tech. Date 6-27-99

# INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

## INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

### Southeastern New Mexico

### Northwestern New Mexico

T. Anhy _____	T. Canyon _____	T. Ojo Alamo _____	T. Penn. "B" _____
T. Salt _____ 898'	T. Strawn _____	T. Kirtland-Fruitland _____	T. Penn. "C" _____
B. Salt _____ 3832'	T. Atoka _____	T. Pictured Cliffs _____	T. Penn. "D" _____
T. Yates _____	T. Miss _____	T. Cliff House _____	T. Leadville _____
T. 7 Rivers _____	T. Devonian _____	T. Menefee _____	T. Madison _____
T. Queen _____	T. Silurian _____	T. Point Lookout _____	T. Elbert _____
T. Grayburg _____	T. Montoya _____	T. Mancos _____	T. McCracken _____
T. San Andres _____	T. Simpson _____	T. Gallup _____	T. Ignacio Otzte _____
T. Glorieta _____	T. McKee _____	Base Greenhorn _____	T. Granite _____
T. Paddock _____	T. Ellenburger _____	T. Dakota _____	T. _____
T. Blinebry _____	T. Gr. Wash _____	T. Morrison _____	T. _____
T. Tubb _____	T. Delaware Sand _____	T. Todilto _____	T. _____
T. Drinkard _____	T. Bone Springs _____ 8059'	T. Entrada _____	T. _____
T. Abo _____	T. Bell Canyon _____ 4112'	T. Wingate _____	T. _____
T. Wolfcamp _____	T. Cherry Canyon _____ 5166'	T. Chinle _____	T. _____
T. Penn _____	T. Brushy Canyon _____ 6830'	T. Permian _____	T. _____
T. Cisco (Bough C) _____	T. _____	T. Penn "A" _____	T. _____

### OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....  
 No. 2, from.....to.....  
 No. 3, from.....to.....  
 No. 4, from.....to.....

### IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....  
 No. 2, from.....to.....feet.....  
 No. 3, from.....to.....feet.....

### LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness in Feet	Lithology	From	To	Thickness in Feet	Lithology
0	850	850	Surface & redbed				
850	986	136	Redbed				
986	3868	2882	Salt & anhydrite				
3868	3968	100	Anhydrite				
3968	4696	728	Anhydrite & sand				
4696	5600	904	Sand & lime				
5600	6270	670	Sand, lime & shale				
6270	7040	770	Sand & lime				
7040	7928	888	Sand				
7928	8129	201	Sand & lime				

YATES PETROLEUM CORPORATION  
Jacque AQJ State #3  
Section 34-T21S-R31E  
Eddy County, New Mexico

#27: ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.:

<u>DEPTH INTERVAL</u>	<u>TREATMENT</u>
7837-7876'	Frac'd with 60000 gallons 20# guar borate crosslink gel & 140000# 16-30 Brady sand
7686-7739'	Acidized with 1000 gallons 7-1/2% iron control HCL acid and ball sealers
7586-7590'	Acidized with 700 gallons 7-1/2% iron control HCL acid & ball sealers
7586-7739'	Frac'd with 17000 gallons 20# borate gel & 32000# 16-30 Super LC sand
6815-6822'	Acidized with 1000 gallons 7-1/2% iron control HCL acid and ball sealers  Frac'd with 15000 gallons 20# borate crosslink gel & 24000# 16-30 Super LC sand

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Print Key Output

Page 1

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S1021663

05/26/99

09:30:10

Display Device . . . . . : TWS1

User . . . . . : TOMW

WELD35 Joint Billing Division Order Inquiry by Property Number

5/26/99

9:30:06

Property . . . . . : 033260 003 JACQUE AQJ STATE #3

YFC

Deck . . . . . : B1

GUI BEFORE PAYOUT

Effective month/year . . . . . : 05 / 1999

Owner	Seq	Owner Name	Inter Co#	Decimal Interest	Interest Type	Date Changed
005000	00	ABO PETROLEUM CORPORATION		.10000000	01 WOR	5/17/1999
640010	00	MYCO INDUSTRIES, INC.		.10000000	01 WOR	5/17/1999
994100	00	YATES DRILLING COMPANY		.10000000	01 WOR	5/17/1999
999900	00	YATES PETROLEUM CORPORATION		.70000000	01 WOR	5/17/1999

Bottom

Total Interest . . . . . : 1.00000000

F3=Exit F12=Previous

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

July 28, 1999

Oil Conservation Division  
2040 South Pacheco St.  
Santa Fe, NM 87505

Dear Sir/Madam:

Pursuant to the rules established by the State of New Mexico under 19 NMAC 15.A.34 pertaining to "New Well Tax Incentive", Yates Petroleum Corporation does hereby submit an original plus two copies of Form C-142 "Application for New Well Status" for the following well. These forms are being submitted for your approval and designation of this wells as a "New Well" for purposes of the New Well Tax Incentive.

1. Jacque AQJ State #3

Should you have any questions or require additional information, please feel free to give me a call at 505-748-4344.

Sincerely,

A handwritten signature in cursive script that reads "Dennis P. Maupin".

Dennis P. Maupin  
Tax Accountant

enclosures