

OIL CONSERVATION DIVISION

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

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

RECEIVED

AUG 11 1993

WELL API NO. \_\_\_\_\_

5. Indicate Type of Lease STATE  FEE

6. State Oil & Gas Lease No. L-6779

7. Lease Name or Unit Agreement Name Long Arroyo OD State Com

8. Well No. 1

9. Pool name or Wildcat Undesignated

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3473' GR

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR TO SWITCH 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 I : 2310 Feet From The South Line and 660 Feet From The East Line Section 14 Township 14S Range 27E NMPM Chaves County

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: Add <u>Atoka</u> & Strawn perms. <input checked="" type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: _____ <input 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.

We propose to add pay in the Atoka and Strawn sands as follows:

1. Install standing valve in Baker on/off tool at 7822'. Load tubing with KCL water and test to 2500 psi. Load annulus and test to 500 psi. Install BOP, get off on/off tool and TOOH w/tubing.
2. TIH w/RBP and packer and straddle proposed interval. Swab tubing down to 7000'. Perforate Atoka from 7742-7744' w/12 holes (4 SPF). NOTE: Will test Atoka if it comes in flowing.
3. Acidize perforations with 1000 gallons 7-1/2% Morflow scf containing 1000 scf/bbl nitrogen with ball sealers.
4. Swab back. If decision made to frac, will frac with binary or 30% CO2 gel and 10000# 20-40 Ottawa or resin coated sand.

CONTINUED ON NEXT PAGE

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 August 5, 1993  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use) ORIGINAL SIGNED BY MIKE WILLIAMS SUPERVISOR, DISTRICT II DATE SEP 7 1993  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: