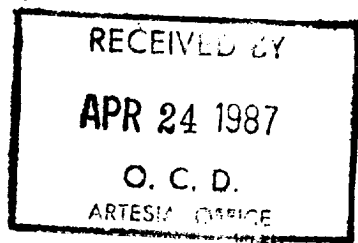


NEW MEXICO OIL CONSERVATION DIVISION
P.O. DRAWER DD
ARTESIA, NEW MEXICO 88210

DATE March 19, 1987

Yates Petroleum Corp.
105 So. 4th Street
Artesia, N.M. 88210



Re: Plugging Reports

Gentlemen:

Form C-103 Report of Plugging for your Newman PP #1 G-21-10-26
Lease Well No. Ut. S-T-R

cannot be approved until an N.M.O.C.D. representative has made an inspection of the location and found it to be cleared to comply with Division Rules and Regulations. Please check each item in the space provided to indicate that the work has been done.

- () 1. All pits have been filled and leveled.
- () 2. Rat hole and cellar have been filled and leveled.
- () 3. A steel marker 4" in diameter and approximately 4' above mean ground level has been set in concrete. It must show the quarter-quarter section or unit designation, section, township and range numbers which have been permanently stenciled or welded on the marker.
- () 4. The location has been leveled as nearly as possible to original top ground contour and has been cleared of all junk and equipment.
- () 5. The dead men and tie downs have been cut and removed.
- () 6. If a one well lease or last remaining well on lease, the battery and burn pit locations have been leveled and cleared of all junk & equipment.

The above are minimum requirements and no plugging bond will be cancelled until all locations for plugged and abandoned wells have been inspected and Form C-103 approved.

When all of the work outlined above has been done, please notify this office by filling in the blank form below and returning this letter to us so that our representative will not have to make more than one trip to the location.

OIL CONSERVATION DIVISION

Mike Williams

Oil & Gas Inspector

FILL IN BELOW AND RETURN

I certify that the above work has been done and the above mentioned lease is ready for your inspection and approval.

Granville Goodlett
NAME

Production Supervisor
TITLE

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
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SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	
LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-79

5a. Indicate Type of Lease	
State <input type="checkbox"/>	Fee <input checked="" type="checkbox"/>
5. 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.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- P&A	7. Unit Agreement Name
2. Name of Operator Yates Petroleum Corporation	8. Farm or Lease Name Newman PP
3. Address of Operator 105 South 4th St., Artesia, NM 88210	9. Well No. 1
4. Location of Well UNIT LETTER <u>G</u> <u>1980</u> FEET FROM THE <u>North</u> LINE AND <u>1980</u> FEET FROM THE <u>East</u> LINE, SECTION <u>21</u> TOWNSHIP <u>10S</u> RANGE <u>26E</u> NMPM.	10. Field and Pool, or WHdcat Bndes. San Andres
11. Elevation (Show whether DF, RT, GR, etc.) 3699.2' GR	12. County Chaves

16. 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 checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOBS <input type="checkbox"/>	

17. 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.

3-3-87 Plugged well as follows:

Spot 35 sx plug at 1616'. Tag plug at 1358'.
Mix mud and circulated clean.
Spot 35 sx plug at 1100'.
Perforated 4 shots at 50'. Bull head squeeze 15 sx cement and circulated
backside to surface.
Heavy mud between plugs.
Installed dry hole marker.

Post ID-2
3-20-87
P&A

RECEIVED BY
MAR 12 1987
O. C. D.
ARTESIA, OFFICE

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

SIGNED <u>Francis Goodlett</u>	TITLE <u>Production Supervisor</u>	DATE <u>3-11-87</u>
APPROVED BY <u>Danell Morse</u>	TITLE <u>Geologist</u>	DATE <u>6/5/87</u>
CONDITIONS OF APPROVAL, IF ANY:		