

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 87413

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

WELL API NO.	30-005-62539
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-2126

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name Vegas AVT State Com
2. Name of Operator YATES PETROLEUM CORPORATION	8. Well No. 1
3. Address of Operator 105 South 4th St., Artesia, NM 88210	9. Pool name or Wildcat Foor Ranch Pre-Permian (gas)
4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>22</u> Township <u>9S</u> Range <u>26E</u> NMPM Chaves County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3774' 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"/>	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 type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Re-entry</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.

1-31-2-3-2001 - Building location.  
2-4-2001 - Lining pits and fencing pits.  
2-5-2001 - Rat and mouseholes dug. Waiting on rotary tools.  
2-6-17-2001 - Waiting on rotary tools.  
2-18-2001 - Moving in and rigging up rotary tools.  
2-19-2001 - TD 40'. Drilling on cement plugs. Finished moving in and rigging up rotary tools. NOTE: 8-5/8" casing was set too low in cellar. Cut off and raised 8-5/8" casing. Installed wellhead. Nippled up. Tested blind rams to 500 psi for 30 minutes, OK. Drilled surface plug and picking up drill collars. Spudded in at 4:45 AM 2-19-2001.  
2-20-2001 - Drilling 1060' - drilling on cement plug. RIH with drill collars. Drilled out 2nd plug. Picked up joint of drillpipe and tested BOP pipe rams to 500 psi for 30 mins, OK. Laid down joint of drillpipe. TIH with remaining drill collars. Started picking up drillpipe and TIH to 815'. Drilled cement plug from 815-844'. Drilled cement plug from 844-1060'

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE April 27, 2001

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Klein TITLE SUPERVISOR, DISTRICT II DATE MAY 02 2001

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Vegas AVT State Com #1  
Section 22-T9S-R26E  
Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

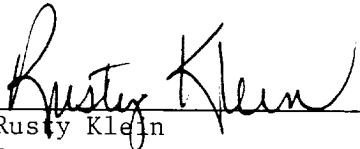
2-21-2001 - Drilling cement at 1255'.

2-22-2001 - Drilling 1505'. Drilled cement from 1255-1335'. TOOH with bit #1.

NOTE: Began drilling new formation at 1335' at 1:30 PM 2-21-2001.

TD 6320'. Reached TD at 7:15 AM 3-12-2001. Ran 150 joints of 5-1/2" 15.5# casing as follows: 54 joints of 5-1/2" 15.5# sandblasted (2236.98') and 96 joints of 5-1/2" 15.5# varnished (4061.39') (Total 6298.37') of casing set at 6295'. Float shoe set at 6295'. Float collar set at 6250'. Bottom marker set at 5215'. Top marker set at 4058'. Cemented with 580 sacks Pecos Valley Lite, 1#/sack D-44, 4#/sack D-24, .2% D-65, .3% D-167, .2% D-46 and .15% D-13 (yield 1.42, weight 13.0). PD 1:30 AM 3-16-2001. Bumped plug to 1700 psi for 3 minutes, OK. WOC. Released rig at 5:30 AM 3-16-2001. NOTE: Casing set 25' short of TD due to hole trying to bridge off when washing to bottom. Notified OCD-Artesia of operations.

Waiting on completion unit.

  
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Rusty Klein  
Operations Technician  
April 27, 2001