

OIL CONSERVATION DIVISION

P. O. BOX 2083  
SANTA FE, NEW MEXICO 87501

RECEIVED

JAN 21 '88

Form O-101  
Revised 1-1-83

API #30-005-62580

|                        |                                     |
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| DISTRIBUTION           |                                     |
| SANTA FE               | <input checked="" type="checkbox"/> |
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| LAND OFFICE            | <input checked="" type="checkbox"/> |
| OPERATOR               | <input checked="" type="checkbox"/> |

|                               |                                                                        |
|-------------------------------|------------------------------------------------------------------------|
| 10. Indicate Type of Lease    | State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> |
| 11. State Oil & Gas Lease No. | LG 6685                                                                |

SUNDRY NOTICES AND REPORTS ON WELLS

ARTESIA, OFFICE

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO DRILL (FORM O-101) FOR SUCH PROPOSALS.)

|                                                                                                                                                                                                          |                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| 1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>                                                                                         | 7. Unit Agreement Name<br>Panther Hill Unit    |
| 2. Name of Operator<br>Yates Petroleum Corporation                                                                                                                                                       | 8. Farm or Lease Name<br>Panther Hill Unit Com |
| 3. Address of Operator<br>105 South 4th St., Artesia, NM 88210                                                                                                                                           | 9. Well No.<br>2                               |
| 4. Location of Well<br>UNIT LETTER <u>L</u> <u>1650</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM<br>THE <u>West</u> LINE, SECTION <u>25</u> TOWNSHIP <u>8S</u> RANGE <u>23E</u> N.M.P.M. | 10. Field and Pool, or Wildcat<br>Wildcat Abo  |
| 15. Elevation (Show whether DF, RT, GR, etc.)<br>3685' GR                                                                                                                                                | 12. County<br>Chaves                           |

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 checked="" type="checkbox"/>    | PLUG AND ABANDONMENT <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/>  | OTHER <input type="checkbox"/>            | CASING TEST AND CEMENT JOB <input checked="" 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.

Spudded 26" hole 12:00 NOON 1-13-88 with Frank's Rathole. Set 38' of 20" conductor pipe. Resumed drilling 14-3/4" hole with rotary 10:30 AM 1-16-88. Notified John Robinson, NMOC, Artesia, NM.

Ran 22 joints 9-5/8" 36# J-55 casing set 925'. Guide shoe set 925', insert float set 883'. Cemented w/500 sx Pacesetter Lite w/10#/sx Hiseal + 1/2#/sx Celloseal + 3% CaCl2 (yield 1.98, weight 12.4). Tailed in w/200 sx Class "C" w/2% CaCl2 (yield 1.32, weight 14.8). PD 6:30 AM 1-18-88. Bumped plug to 450 psi, released pressure and float held OK. Cement did not circulate. WOC 6 hrs. Ran Temperature Survey and found top of cement 225'. Ran 1". Tagged cement 96'. Spotted 100 sx Class "C" with 7% CaCl2. PD 2:30 PM 1-18-88. WOC 15 minutes. Ran 1". Tagged cement 64'. Spotted 100 sx Class "C" with 7% CaCl2. PD 3:15 PM 1-18-88. WOC 15 minutes. Ran 1". Tagged cement 64'. Spotted 135 sx Class "C" with 7% CaCl2. PD 4:00 PM 1-18-88. Circulated 5 sx to pit. WOC.

Drilled out 7:30 AM 1-19-88. WOC 25 hrs. NU and tested to 1000 psi for 30 minutes, OK. Reduced hole to 7-7/8". Resumed drilling.

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

SIGNED Mike Williams TITLE Production Supervisor DATE 1-20-88

APPROVED BY Mike Williams TITLE Oil & Gas Inspector DATE JAN 21 1988

CONDITIONS OF APPROVAL, IF ANY: