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Submit 3 Copies To Appropriate District Office

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.
30-015-04435

5. Indicate Type of Lease
STATE [X]   FEE [ ]

6. State Oil & Gas Lease No.
B-4108

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

RECEIVED
OCD ARTESIA

3. Address of Operator
105 S. 4th Street   Artesia, NM 88210

7. Lease Name or Unit Agreement Name:
Scheurich A

7. Well No.
#7

8. Pool name or Wildcat
Loco Hills-Q-G-SA

4. Well Location

Unit Letter **E** : **1650** feet from the **North** line and **330** feet from the **West** line

Section **32**   Township **17S**   Range **30E**   NMPM   **Eddy** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)
3591' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:		
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [X]			REMEDIAL WORK [ ]	ALTERING CASING [ ]	
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]			COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]	
PULL OR ALTER CASING [ ]	MULTIPLE COMPLETION [ ]			CASING TEST AND CEMENT JOB [ ]		
OTHER: [ ]				OTHER: [ ]		

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Propose to Plug and abandon this well as follows:
Tag CIBP at 2744', above the open hole completion zone. If CIBP is absent, set a CIBP at 2734'
Spot a 30 sx plug from CIBP to 2490' across the Queen perfs 2546-2642'. —TA9
Perforate the casing at 1210' and at 525'.
Set cement retainer at 1110'. Squeeze with 45 sxs cement, leaving 35' of cement on top of retainer.
Set cement retainer at 425'. Squeeze with 60 sxs cement from 525' to near surface, leaving 35' of cement on top of retainer.
Spot a 15 sxs surface plug.
Remove all surface equipment and install dry hole marker per regulations.

Salt gel mud consisting of 10# Brine W/25# of gel per bbl must be placed between each plug

Notify OCD 24 hrs. prior to any work done

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

SIGNATURE _[signature]_   TITLE **Engineering Technician** DATE **January 29, 2002**

Type or print name **Susan Herpin**   Telephone No. **505-748-1471**

(This space for State use)

APPPROVED BY _[signature]_   TITLE _____   DATE FEB 1 2002
Conditions of approval, if any: