

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

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

DEC 27 '94

WELL API NO.
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Dayton Townsite Com (SWD)
8. Well No. 1
9. Pool name or Wildcat Dayton / Atoka Perm
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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 <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER SWD <input checked="" type="checkbox"/>
2. Name of Operator YATES PETROLEUM CORPORATION
3. Address of Operator 105 South 4th St., Artesia, NM 88210
4. Well Location Unit Letter <u>G</u> : <u>1650</u> Feet From The <u>North</u> Line and <u>2310</u> Feet From The <u>East</u> Line SWNE Section <u>21</u> Township <u>18S</u> Range <u>26E</u> NMPM <u>Eddy</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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: Acidize injection perfs. 8902-9062 <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input 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.
Propose to clean out wellbore and acidize, perforations 8902-9062' to restore injectivity as follows:

1. Move in and rig up coil tubing unit. RIH w/wash plate and high velocity nozzle. Clean out wellbore to PBTD 9100'. Ensure all perforations are clear.
2. Spot 500 gallons xylene from 9100' to cover perforations. Let perforations soak overnight. POOH & move out coil tubing unit.
3. Acidize down 2-7/8" injection string with 10000 gallons 15% NEFE HCL acid with rock salt block.
4. Return to injection.

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 Dec. 23, 1994
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

SUPERVISOR, DISTRICT II
APPROVED BY _____ TITLE _____ DATE JAN 3 1995
CONDITIONS OF APPROVAL, IF ANY: