

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

WELL API NO. 30-015-27292
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-7070
7. Lease Name or Unit Agreement Name Walters Lake AML State
8. Well No. 1
9. Pool name or Wildcat Walters Lake Bone Spring Pool

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator YATES PETROLEUM CORPORATION
3. Address of Operator 105 South Fourth Street - Artesia, NM 88210	4. Well Location Unit Letter <u>J</u> : <u>1650</u> Feet From The <u>South</u> Line and <u>2310</u> Feet From The <u>East</u> Line Section <u>2</u> Township <u>18S</u> Range <u>30E</u> NMPM <u>Eddy</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3603' 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"/>	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: Clean out fill & run production packer <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 fill and run production packer as follows:

1. Move in and rig up pulling unit. Kill well with clean KCL water or brine water as necessary. Pull pump and rods.
2. Nipple up BOP, unseat tubing anchor and TOOH with tubing. If fill is present, will RIH with open ended tubing and reverse circulate fill. May have to RIH w/bailer and bail fill.
3. If there is evidence of carbonate or sulfate scaling problem, may possibly perform an acid job or scale inhibition treatment.
4. RIH w/Uni VI packer with on/off tool. Set packer at 6950'. Reverse circulate annulus full of fresh or KCL water containing corrosion inhibitor, biocide and oxygen scavenger. Set packer and test annulus.
5. Nipple up wellhead and swab well is. Return to production.

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. 1, 1993
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505-748-1471

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SUPERVISOR, DISTRICT II

DEC 7 1993

