

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 Loco Hills-Queen-GB-San Andres

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 4th St., 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: <input 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 plug and abandon as follows:

1. TOOH with rods and pump. TOOH to derrick with tubing.
2. Pick up 2-7/8" tubing and TIH to 6975'. Load hole with 9.5# salt gel mud (25#/bbl).
3. Set a 30 sack Class C cement plug from 5200-5000'.
4. Set a 30 sack Class C cement plug from 4004-3800'.
5. Set a 5-1/2" cement retainer at 3100'. Establish injection rate and squeeze perforations 3138-3750' with 150 sacks Class C and .3% fluid loss additive. Sting out of retainer and spot 100 sacks Class C cement from 3100-2100'.
6. Set a 50 sack Class C cement plug from 750-250'.
7. Set a 10 sack Class C cement plug at surface.
8. Install regulation abandonment marker.

NOTIFY OCD-ARTESIA (505-748-1283) 24 HOURS PRIOR TO COMMENCING PLUGGING OPERATIONS

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 8, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

SEP 2 1997

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

