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Energy, Minerals and Natural Resources Department to Appropriate District Office OIL CONSERVATION DIVISION DISTRICT I WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088RECEIVED 30-015-26383 Santa Fe. New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATE FEE ' **DISTRICT III** 1'90 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. V-2531 SUNDRY NOTICES AND REPORTS ON WELLS O. C. ... (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN CHARACTERS AND A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" 7. Lease Name or Unit Agreement Name (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Algerita AHR State GAS WELL X WELL WELL OTHER 2. Name of Operator 8. Well No. YATES PETROLEUM CORPORATION 1 3. Address of Operator 9. Pool name or Wildcat Und. Morrow 105 South 4th St., Artesia, NM 88210 4. Well Location H : 1980 Feet From The North Line and 660 East Unit Letter ____ Feet From The ___ 20S 24E Eddy Township Range **NMPM** County Section 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3718' GR 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 REMEDIAL WORK ALTERING CASING **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT TEMPORARILY ABANDON CASING TEST AND CEMENT JOB XX **PULL OR ALTER CASING** OTHER:_ OTHER:_ 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. Spudded 26" hole 2:20 PM 10-14-90 with rathole. Set 40' of 20" conductor. Redi-mix to surface. Notified NMOCD, Artesia, NM of spud. Resumed driling 14-3/4" hole 4:30 PM 10-15-90. Lost circulation 118', no returns. Ran 28 jts 9-5/8" 36# J-55 ST&C casing set 1224'. Guide shoe set 1224', insert float set 1180'. Cemented w/150 sx H, 12% Thixad, 10#/sx Gilsonite, 1/2#/sx Celloseal, 2% CaCl (yield 1.72, wt. 13.9) and 1100 sx Class C, w/5#/sx Gilsonite, 1/2#/sx Celloseal, 3% CaCl (yield 2.04, wt 12.1). Tailed in w/200 sx Class C + 2% CaCl (yield 1.32, wt 14.8). PD 7:30 PM 10-17-90. Bumped plug to 600 psi, held okay. Cement did not circulate. WOC 6 hrs. Ran Temp. Survey and found TOC 110'. Ready mix to surface after cutting off casing. WOC. Drilled out 6:15 PM 10-18-90. WOC 22 hrs and 45 minutes. NU and tested to 1000 psi for 30 mins, OK. Reduced hole to 8-3/4". Resumed drilling. I hereby certify that the information above is true; and complete to the best of my knowledge and belief.

DATE 10-30-90 mme Production Supervisor SKINATURE **TELEPHONE NO.** 505/748-1471Juanita Goodlett TYPE OR PRINT NAME ORIGINAL SIGNED BY (This space for State Use) 6 1990 MIKE WILLIAMS NOV SUPERVISOR, DISTRICT !