

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form 6-199

Revised 1-1-89

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.	30-015-28415
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	Hinkle ALD
8. Well No.	3
9. Pool name or Wildcat	Dagger Draw Upper Penn. North

**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 H : 1980 Feet From The North Line and 660 Feet From The East Line Section 28 Township 19S Range 25E NMPM Eddy County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3471' 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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Spud, surface casing & cement <input checked="" 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.  
Spudded a 26" hole with rotary tools at 1:00 PM 12-6-97. Set 80' of 20" conductor pipe. Cemented to surface. NOTE: Notified OCD-Artesia of spud. Resumed drilling a 14-3/4" hole with rotary tools at 10:00 PM 12-9-97.

TD 1145'. Reached TD at 9:00 PM 12-11-97. Ran 26 joints of 9-5/8" 36# J-55 8rd ST&C (1148.32') of casing set at 1145'. 1-Texas Pattern notched guide shoe set at 1145'. Insert float set at 1056'. Cemented with 200 sacks "H", 10% A-10B, 1/4#/sack cello-flake, 10#/sack gilsonite and 1% CaCl2 (yield 1.52, weight 14.6) and 900 sacks 65-35-6, 5#/sack gilsonite, 1/4#/sack celloflake and 2% CaCl2 (yield 1.90, weight 12.7). Tailed in with 200 sacks "C" and 2% CaCl2 (yield 1.34, weight 14.8). PD 5:00 AM 12-12-97. Bumped plug to 450 psi, OK. Cement did not circulate. WOC 4 hours. Ran Temperature Survey and found top of cement at 319'. Ran 1". Tagged cement at 262'. Spotted 100 sacks "C" and 4% CaCl2. PD 12:15 PM 12-12-97. WOC 2 hours. Ran 1". Tagged cement at 108'. Spotted 125 sacks "C" and 4% CaCl2. PD 2:15 PM 12-12-97. Had fluid level 3'

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE Dec. 30, 1997  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-14

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

APPROVED BY

TITLE

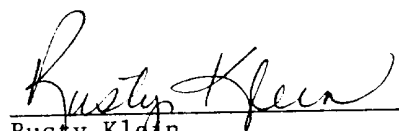
DATE JAN 8 1998

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Hinkle ALD #3  
Section 28-T19S-R25E  
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

from surface on 2nd stage. Tagged cement with gauge line at 25'. Ready Mixed to surface. WOC. Nippled up and tested to 3000 psi for 30 minutes. Drilled out at 9:15 AM 12-13-97. WOC 28 hours and 15 minutes. Reduced hole to 8-3/4". Resumed drilling. NOTE: Notified OCD-Artesia answering service - no witness.

  
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Rusty Klein  
Operations Technician  
December 30, 1997