

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.	30-015-30402
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	LG-9688
7. Lease Name or Unit Agreement Name	Triangle Ranch ASW State Com
8. Well No.	1
9. Pool name or Wildcat	Hoag Tank Morrow

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>K</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>19S</u> Range <u>23E</u> NMPM <u>Eddy</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3857' 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: Perforate & frac <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.

12-4-98 - Cleaned location, set and tested anchors. Moved in and rigged up pulling unit. Installed tubinghead and BOP.

12-5-7-98 - Rigged up wireline. TIH with logging tools and ran CBL/CCL/GR log. TOOH with logging tools and rigged down wireline. TIH with bit, scraper and 2-3/8" tubing to 8468'. Pickled tubing with 500 gallons 15% HCL acid. Pulled bit up to 8134'. Swabbed tubing and annulus down to 4200'. Shut down for night.

12-8-98 - Swabbed tubing and annulus down to 8100'. TOOH with tubing, scraper and bit.

12-9-98 - Rigged up wireline. TIH with 3-3/8" casing guns and perforated 8325-8330' w/36 .42" holes (6 SPF - Morrow). TOOH with casing guns and rigged down wireline. Installed casing saver. Frac'd perforations 8325-8330' (Morrow) with 39000 gallons binary foam with 15% of fluid volume methanol, 50000# 20-40 econoprop, 84 tons CO2 and 429000 scf N2 (frac'd down casing). Removed casing saver. Shut well in for 2 hours. Opened well and began flowing back frac.

12-10-98 - Plowed back frac. Rigged up wireline. TIH with gauge ring to 8410'. TOOH.

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 Jan. 4, 1999

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 1-6-99

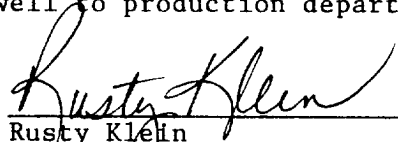
CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Triangle Ranch ASW State Com #1  
Section 13-T19S-R23E  
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

TIH with wireline set Uni VI packer with on/off tool with 1.81" profile and 6' sub on bottom of packer with 1.78" F nipple. Set packer at 8250'. TOOH with setting tool and rigged down wireline. NOTE: 1.78" F nipple has blanking plug set in it. Loaded casing with 3% KCL water and tested packer to 1800 psi. TIH with 2-3/8" tubing and latched onto packer at 8250'. Pulled into packer and packer moved up hole 10'. Removed BOP and nipped up wellhead. Rigged up slickline. TIH to retrieve blanking plug and got ±2' inside packer with retrieving tool and stacked out. TOOH. Had sand on retrieving tool. Nipped down wellhead and installed BOP. TOOH - 6' sub was full of sand and ±4' of packer was full of sand. Packer had small amount of sand in slips and rubbers were damaged by sand. TIH with packer with on/off tool, 1.81" profile and 2-3/8" tubing. Removed BOP and nipped up wellhead. Set packer at 8240'. Tested annulus to 1500 psi.

12-11-98 - Flow tested. Shut well in. Released well to production department.

  
\_\_\_\_\_  
Rusty Klein  
Operations Technician  
January 4, 1999