

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

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|---|
| WELL API NO. 30-015-24769 |
| 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 South Avalon YI Com |
| 8. Well No. 1 |
| 9. Pool name or Wildcat NE Happy Valley Strawn |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3140' GR |

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 type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER | 2. Name of Operator YATES PETROLEUM CORPORATION |
| 3. Address of Operator 105 South Fourth Street - Artesia, NM 88210 | 4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>2100</u> Feet From The <u>West</u> Line Section <u>23</u> Township <u>21S</u> Range <u>26E</u> NMPM <u>Eddy</u> County |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3140' 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"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | OTHER: <u>Frac perforations</u> <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.

12-8-94 - Moved in and rigged up pulling unit. Bled annulus down and loaded with 3 bbls KCL water. Pressured to 1500 psi for 15 minutes, OK. Shut in.
12-9-94 - Bled down tubing and loaded tubing. Released packer. Nippled down tree and nippled up BOP. TOOH. TIH with 5-1/2" 17-20# 10K Uni VI packer with 1.875" XL on/off tool. Hydrotested tubing in hole to 8000 psi above slips. Tested 6000' of tubing with no leaks.
12-10-94 - Pressured annulus to 1500 psi. Frac'd perforations 9823-9829' (Strawn sand) (via 2-7/8" tubing) with 27000 gallons 40# crosslink gel with 30% CO2 and 35000# tempered DC 20-40 sand. Nippled down tree saver. Flowed well to pit for cleanup.
12-11-12-94 - Flowing well to pit for cleanup. Released to production department.

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 12-19-94
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505-748-1471

(This space for State Use)

SUPERVISOR, DISTRICT II

JAN 3 1995

APPROVED BY _____ TITLE _____ DATE _____