

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Generals and Natural Resources Department

Form C-103  
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.	30-015-30582
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	K-4529
7. Lease Name or Unit Agreement Name	South Avalon ASZ State Com
8. Well No.	1
9. Pool name or Wildcat	Burton Flat Morrow
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3160' 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 <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 C : 660 Feet From The North Line and 1650 Feet From The West Line Section 14 Township 21S Range 26E NMMPM Eddy County

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: Spud & surface casing <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 rat hole machine at 10:15 AM 6-3-99. Set 40' of 20" conductor pipe and cemented to surface. NOTE: Notified Carmen w/OCD-Artesia of spud. Resumed drilling a 17-1/2" hole with rotary tools at 5:30 AM 6-5-99.

TD 598'. Reached TD at 3:30 AM 6-6-99. Ran 14 joints of 13-3/8" 48# H-40 8rd ST&C (601.61') of casing set at 598'. 1-Texas Pattern notched guide shoe set at 598'. Insert float set at 556'. Cemented with 200 sacks "H", 10% A-10B, 1% CaCl<sub>2</sub>, 1/4#/sack celloflake and 10#/sack gilsonite (yield 1.52, weight 14.6) and 400 sacks 65-35-6, 5#/sack salt, 1/2#/sack celloflake and 10#/sack gilsonite (yield 2.04, weight 12.5). Tailed in with 200 sacks "C" with 2% CaCl<sub>2</sub> (yield 1.34, weight 14.8). PD 8:45 AM 6-6-99. Cement did not circulate. WOC 5 hours. Ran Temperature Survey and found top of cement at 340'. Ran 1". Tagged cement at 310'. Spotted 100 sacks "C" with 4% CaCl<sub>2</sub>. PD 3:30 PM 6-6-99. WOC 1 hour. Ran 1". Tagged cement at 210'. Spotted 150 sacks "C" with 4% CaCl<sub>2</sub>. PD 5:15 PM 6-6-99. WOC 1 hour. Ran 1". Tagged cement at 200'. Spotted 75 sacks "C" with

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 June 10, 1999

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Simon W. Klein TITLE District Supervisor DATE 6-21-99

CONDITIONS OF APPROVAL, IF ANY: