

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-183
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

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|--------------------------------------|--|
| 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 |

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| 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 4th St., Artesia, NM 88210 | |
| 4. Well Location Unit Letter <u>C</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1650</u> Feet From The <u>West</u> Line Section <u>14</u> Township <u>21S</u> Range <u>26E</u> NMPM Eddy County | |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3160' GR | |

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|---|---|
| 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: Commingle two Morrow zones <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| | CASING TEST AND CEMENT JOB <input type="checkbox"/> |
| | OTHER: <input 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.

Propose to pull RBP between Morrow zones and place well back into production as follows:

1. Pump 500 gallons of methanol down tubing followed by 2% KCL water to displace methanol into perforations 10908-10914'.
2. Ensure that backside is loaded.
3. Nipple down tree, nipple up BOP. POOH with tubing and packer at 10828'.
4. GIH with tubing and retrieving tool and pull RBP from 10956'. TOOH with tubing and RBP.
5. GIH with tubing and latch onto packer at 10956'. Space out tubing. Nipple down BOP and nipple up tree.
6. Swab well in.
7. Place perforations 10908-10914' and 11041-11047' (Morrow) into production.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Oct. 7, 1999
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-147

(This space for State Use)

APPROVED BY Sim W. [Signature] TITLE District Supervisor DATE 10-13-99
CONDITIONS OF APPROVAL, IF ANY: Need NSL