

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

DEC 11 '90

WELL API NO. 30-015-26497
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3346
7. Lease Name or Unit Agreement Name Loving AIB State
8. Well No. 2
9. Pool name or Wildcat South Loving Delaware

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 ZATES PETROLEUM CORPORATION (505) 748-1471
3. Address of Operator 105 South 4th St., Artesia, New Mexico 88210	4. Well Location Unit Letter J : 2080 Feet From The South Line and 2040 Feet From The East Line Section 16 Township 23S Range 28E NMPM Eddy County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3016' 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"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <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.

TD 6225'. Reached TD 11-20-90. Ran 142 joints 5-1/2" casing as follows: 85 jts 5 1/2" 15.5# J-55 LT&C and 57 jts 5 1/2" 17# J-55 LT&C casing set 6225'. Float shoe set 6225', float collar set 6179'. DV tool set 4240'. Cemented 1st stage w/1000 gals Surebond, followed w/350 sx Class C, 10% Microbond + 2#/salt + 5/10 of 1% Halad 322 (yield 1.48, wt 15.0). PD 12:15 AM 11-22-90. Circulate thru DV tool 2-1/2 hrs. Bumped plug to 1700 psi for 3 mins, float and casing held okay. Stage 2: Cmt'd w/1400 sx Lite "C" with 1/4# Floceal + 15# salt (yield 2.03, wt 12.4). Tailed in w/100 sx Class C + 4# salt + 3/10% Halad 322 (yield 1.32, wt 14.8). PD 4:45 AM 11-22-90. Bumped plug and closed DV tool with 3200 psi. Good returns throughout both stages. WOCU 4 days. Drill out DV tool. Hydrojetted at 6032, 6039, 6048 and 6054' (4 holes each setting). Washed each cut w/250 gals 7 1/2% NEFE acid (total 1000 gals). Swabbed well back - no shows oil or gas. Dumped 500 gals 15% NEFE acid. Swabbed well dry to seating nipple. 12-5-90. Produced 8 BO and 78 BW.

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

SIGNATURE Juanita Goodlett TITLE Production Supervisor DATE 12-7-90
TYPE OR PRINT NAME Juanita Goodlett TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

DEC 19 1990

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: