

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. 30-043-20831
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-1399
7. Lease Name or Unit Agreement Name Gus YJ State
8. Well No. 1
9. Pool name or Wildcat Lybrook-Gallup Ext.

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>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>32</u> Township <u>23N</u> Range <u>6W</u> NMPM <u>Sandoval</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 7245' 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: <u>Production Casing</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.

TD 5900'. Reached TD 10:15 PM 8-16-89. Ran 134 joints 4-1/2" 10.5# J-55 ST&C casing set 5897'. Auto float shoe set 5898', auto float collar set 5855'. DV tool set 4698'. Cemented in two stages as follows: Stage I - 300 sx Class B 50/50 Poz + 2% gel + 1/4/sx Celloseal + 4#/sx Hiseal (yield 1.26, wt 13.4). Tailed in w/50 sx Class B Neat (yield 1.18, wt 15.6). PD 2:33 PM 8-18-89. Circulated thru DV tool 4 hrs. Stage II - 650 sx Class B 65/35 Poz + 12% Gel + 1/4#/sx Celloseal + 4#/sx Hiseal (yield 2.22, wt 11.8). Tailed in w/50 sx Class B Neat (yield 1.18, wt 15.6). PD 8:30 PM 8-18-89. Cement did not circulate. Bumped plug to 1750 psi for 1 minute, release pressure, float and casing held okay. Note: Circulated 60 sx on first stage. Waiting on completion unit 8-22 - 8-28-89.

CORRECT WELL NAME: GUS "YJ" STATE.

CONFIDENTIAL - TIGHT HOLE!

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 8-29-89
TYPE OR PRINT NAME Juanita Goodlett TELEPHONE NO. 505/748-1471

(This space for State Use)

Original Signed by FRANK T. CHAVEZ

SUPERVISOR DISTRICT #

APPROVED BY _____ TITLE _____ DATE AUG 30 1989

CONDITIONS OF APPROVAL, IF ANY: