

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-22002
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. K-5115
7. Lease Name or Unit Agreement Name Stonewall EP State
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat Saladar; Strawn

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 Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter N : 660 feet from the South line and 1980 feet from the West line
Section 19 Township 20S Range 28E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3300'GR

Pit or Below-grade Tank: Application or Closure
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. 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"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Plugback, recomple and back on production <input checked="" type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

5/12/06 – Set CIBP at 10,900'. Test CIBP to 1000 psi, would not test, casing has a hole. Log CBL from 10,900' to 9500'. TOC at 9800'. Put cement on CIBP.
5/15/06 – Hole is at 2306' to 2339'. Pressure up to 1000 psi, would go to 0 psi in 1 min, could not pump into.
5/16/06 – Perforate Atoka 10,440'-10,450', 10,614'-10,630' and 10,708'-10,730' for a total of 99 - .42" holes. Acidize with 2500g 15% IC HCL + 150 balls.
5/19/06 – Perforate Strawn 10,226'-10,236' (41). Acidize with 2000g 20% IC HCL. RBP at 10,346'. AS-1 packer with 2.25" on/off tool at 10,137'. Guiberson Uni-6 packer with standing valve at 11,036' – stuck.
6/23/06 – Well is back on production - Strawn

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCDC guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 27, 2006

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only
APPROVED BY: _____ TITLE _____ DATE JUN 30 2006
Conditions of Approval (if any): _____