

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. 30-005-62795
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-5246
7. Lease Name or Unit Agreement Name Pathfinder AFT State
8. Well No. 9
9. Pool name or Wildcat Diablo Fussleman Associated

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 <u>N</u> : <u>660</u> Feet From The <u>South</u> Line and <u>2200</u> Feet From The <u>West</u> Line Section <u>21</u> Township <u>10S</u> Range <u>27E</u> NMPM <u>Chaves</u> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3822' 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 checked="" 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: <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 run production logs to determine source and path of water production. Will squeeze as necessary to reduce water production and increase gas production. The well is currently producing out of Fusselman perforations 6294-6300'. A cement channel from below is suspected. Procedure of work will be done as follows:

1. Move in and rig up. Ensure that well is dead. NU BOP and test. POOH w/tubing & ESP pump. RIH w/bit and clean out 7-5/8" casing to 6395'. Will have to drill up cement and cement retainer from 6350-6378'.
2. Run cement bond logs.

Based on the evaluation of these logs, additional procedure will follow to run additional production logs and/or to squeeze.

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

SIGNATURE Rusty Klein TITLE Production Clerk DATE June 18, 1993
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use) ORIGINAL SIGNED BY

APPROVED BY MIKE WILLIAMS

CONDITIONS OF APPROVAL, IF ANY: SUPERVISOR, DISTRICT II

DATE JUN 24 1993