

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

RECEIVED
JUN 26 1992
O. C. D.

WELL API NO. 30-005-62894
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-0578
7. Lease Name or Unit Agreement Name Louise Yates
8. Well No. 1
9. Pool name or Wildcat Wolf Lake
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GL 3889.6

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 Exploration Co., Inc. (PetroYates, Inc.)
3. Address of Operator P. O. Box 2607 Roswell, NM 88202-2607

4. Well Location Unit Letter N : 330 Feet From The South Line and 1980 Feet From The West Line Section 7 Township 9S Range 28E NMPM Chaves County

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: Notice of reaching original TD <input checked="" 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.

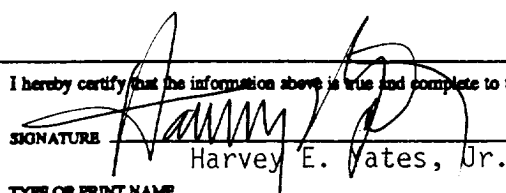
Well has been drilled to 2,400 feet.

This notice is submitted to request permission to drill to the San Angelo horizon of the San Andres formation - estimated depth of 2,840 feet.

Hole will be deepened with mud system, rather than air.
7 7/8" hole will be drilled.

Please keep this information confidential for the time allowed.

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

SIGNATURE  TITLE Vice President DATE June 24, 1992
TYPE OR PRINT NAME Harvey E. Yates, Jr. TELEPHONE NO.

(This space for State Use)

ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

APPROVED BY _____ TITLE _____ DATE JUL 17 1992

CONDITIONS OF APPROVAL, IF ANY: