

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. 30-005-63073
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-0427
7. Lease Name or Unit Agreement Name Hanlad AKZ State
8. Well No. 3
9. Pool name or Wildcat Acme San Andres, Southeast

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>L</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>8S</u> Range <u>27E</u> NMPM <u>Chaves</u> County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3949' GR</u>	

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>Perforate, acidize & frac</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.

8-1-95 - Cleaned location, set and tested anchors. Made cut off on 5-1/2" casing. Moved in and rigged up pulling unit. Nippled up tubinghead and installed BOP. Tested casing to 2200 psi. TIH with bit, scraper and 2-7/8" tubing to 2214'. Reversed casing with 80 bbls 2% KCL water. TOOH with 2-7/8" tubing, scraper and bit. Rigged up wireline. TIH with logging tools and ran CNL/CBL/CCL/GR logs. TOOH with logging tools and rigged down wireline.

8-2-95 - Rigged up wireline. TIH with 4" casing guns and performed 2149-2200' w 52.42" holes (1 SPF). TOOH with casing guns and rigged down wireline. TIH with packer and 2-7/8" tubing. Set packer at 2090'. Acidized perforations 2149-2200' with 3000 gallons 20% NEFE acid and ball sealers. Bled well down. Unset packer and TOOH with tubing and packer. Removed BOP and installed frac head.

8-3-95 - Spotted 1500 gallons 20% NEFE acid at 2204'. TOOH with tubing. Removed BOP and installed frac head. Started pad on frac job - shut down. Bled well down. Removed frac head and installed BOP. TIH with Uni VI packer and tubing. Set packer at 2090'.

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Production Clerk DATE Aug. 7, 1995
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

AUG 10 1995

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: