

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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.	30-005-63136
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Bean Com
8. Well No.	2
9. Pool name or Wildcat	Leslie Spring Penn
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3589' GR

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	2. Name of Operator YATES PETROLEUM CORPORATION
3. Address of Operator 105 South 4th St., Artesia, NM 88210	4. Well Location Unit Letter H : 1980 Feet From The North Line and 660 Feet From The East Line Section 20 Township 7S Range 26E 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: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Perforate & acidize <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.

12-2-97 - Cleaned location and set anchors. Moved in and rigged up completion unit. Installed wellhead. Rigged up wireline. TIH with logging tools and ran GR/CBL log. TOOH with logging tools and rigged down wireline.
12-3-97 - Rigged up wireline. TIH with 3-1/8" casing guns and perforated 4937-4947' w/11 .42" holes (Zone C), 4709-4713' w/5 .42" holes (Zone B) and 4429-4437' w/9 .42" holes (Zone A) (1 SPF - Abo). TOOH with casing guns and rigged down wireline. TIH with packer and RBP. Set RBP at 4971'. Set packer at 4880'. Break down perfs. 4937-4947'. Opened bypass. Spotted acid and balls to packer. Closed bypass. Acidized perforations 4937-4947' with 2500 gallons 15% iron control HCL acid and ball sealers. Swabbed. Shut well in.
12-4-97 - Swabbed. Shut well in.
12-5-97 - Swabbed. Opened bypass and equalized. Released packer. TIH with 3 joints. Released RBP. Pulled 7 joints. Attempted to reset RBP. Would not set. Well started flowing out casing (acts like packer is setting, not RBP). With packer set, well kicks

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 Operations Technician DATE Dec. 11, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1

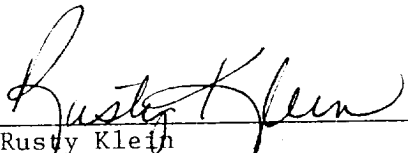
(This space for State Use) ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

APPROVED BY _____ TITLE _____ DATE 12-29-97
CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION
Bean Com #2
Section 20-T7S-R26E
Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

up tubing. Opened bypass. Well will flow up casing and tubing. TOOH with packer. TIH with new packer. At 10 stands in, well started kicking. Pumped 50 bbls 2% KCL down tubing. TIH and set packer at 4880'. Loaded annulus with 9 bbls. Swabbed. Shut well in. Break off lubricator. Opened well up and swabbed.
12-6-97 - Swabbed. Pumped 20 bbls 2% KCL down tubing. Released packer. TOOH & released RBP. Pulled up to 4753'. Set RBP and tested to 1500 psi. Pulled up and set packer at 4658'. Breakdown perforations 4709-4713'. Opened bypass. Spotted acid and balls to packer. Closed bypass. Acidized perforations 4709-4713' with 1500 gallons 15% iron control HCL acid and ball sealers. Swabbing and flowing.
12-7-8-97 - Flowed well. Shut well in.
12-9-97 - Flow testing.
12-10-97 - Flow testing. Shut well in.



Rusty Klein
Operations Technician
December 11, 1997