

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.	30-005-63207
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	LG-2621
7. Lease Name or Unit Agreement Name	Thunderhead TD State
8. Well No.	3
9. Pool name or Wildcat	Undesignated

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 <u>K</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>32</u> Township <u>8S</u> Range <u>26E</u> NMPM Chaves County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3747' 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 type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: <u>Spud, conductor, resume drlg, surface casing &amp; cement</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.

Spudded a 26" hole with rat hole machine at 9:30 AM 3-27-2000. Drilled to 40' and set 40' of 20" conductor pipe. Cemented to surface. NOTE: Notified Mike w/OCD-Artesia of spud. Resumed drilling a 12-1/4" hole with rotary tools at 12:00 AM 4-17-2000.

TD 1105'. Reached TD at 4:15 AM 4-18-2000. Ran 26 joints of 8-5/8" 24# J-55 (1101') of casing set at 1099'. 1-Texas Pattern notched guide shoe set at 1099'. Insert float set at 1057'. Cemented with 450 sacks Poz C (65-35), 6% D-20, 2% S-1 and 1/4#/sack D-29 (yield 1.99, weight 12.6). Tailed in with 200 sacks "C", 2% S-1 and 1/4#/sack D-29 (yield 1.32, weight 14.8). PD 12:50 PM 4-18-2000. Bumped plug to 785 psi, OK. Circulated 155 sacks. WOC. Nipped up and tested to 500 psi for 30 minutes, OK. WOC. Drilled out at 8:00 AM 4-19-2000. WOC 18 hours and 40 minutes. Reduced hole to 7-7/8". Resumed drilling. NOTE: Notified Mike w/OCD-Artesia of casing & cement; Phil Hawkins w/OCD-Artesia witnessed

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE Aug. 31, 2000  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

SUPERVISOR, DISTRICT II

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 8-31-00

CONDITIONS OF APPROVAL, IF ANY: