

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 DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSAL)	
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>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 <u>Chaves</u> 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"/>	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>Production casing & 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.

TD 7057'. Reached TD at 7:15 AM 5-16-2000. Ran 167 joints of 5-1/2" 15.5# 8rd J-55 LT&C (7081.16') of casing set at 7057'. Float shoe set at 7057'. Float collar set at 7013'. Bottom marker set at 6398-6418'. Top marker set at 4400-4422'. Pumped 150 bbls mud with 150 scf/bbl N2 ahead of 800 sacks 65-35-6, 5% salt, 1/4#/sack celloseal and 3#/sack Kolite (yield 2.10, weight 12.6). Tailed in with 750 sacks Ultralite C (yield 1.69, weight 13.0). PD 3:45 AM 5-23-2000. Bumped plug to 1950 psi for 3 minutes, OK. WOC. Released rig at 8:45 AM 5-23-2000.

Waiting on completion unit.

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: