

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.	30-005-63364
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-5649
7. Lease Name or Unit Agreement Name	Quiniela AXQ State
8. Well No.	2
9. Pool name or Wildcat	Wildcat Precambrian
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3777' 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 G : 1980 Feet From The North Line and 1980 Feet From The East Line
5. Section 5	6. Township 10S
7. Range 26E	8. NMPM Chaves
9. County	10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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: Spud, conductor, resume drilling, surface casing & cement <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 20" hole with rat hole machine at 8:00 AM 6-6-2001. Drilled to 40'. Set 40' of 16" conductor pipe. Cemented to surface. NOTE: Notified Phil Hawkins w/OCD-Artesia of spud via voice mail. Resumed drilling a 12-1/4" hole with rotary tools at 10:30 AM 6-12-2001.

TD 1135'. Reached TD at 3:30 PM 6-13-2001. Ran 27 joints of 8-5/8" 24# J-55 8rd (1135.66') of casing set at 1135'. 1-Texas Pattern notched guide shoe set at 1135'. Insert float set at 1090'. Pumped 20 bbls of frac gel ahead of 500 sacks of Poz C (65-35), 6% D-20, 2% CaCl2 and .125#/sack D-130 (yield 1.99, weight 12.6). Tailed in with 200 sacks "C" and 2% CaCl2 (yield 1.32, weight 14.8). PD 2:50 AM 6-14-2001. Bumped plug to 317#, OK. Circulated 72 sacks. WOC. Nippled up and tested to 500 psi for 15 minutes, OK. Drilled out at 11:30 PM 6-14-2001. WOC 23 hours. Reduced hole to 7-7/8". Resumed drilling.

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 Nov. 13, 2001

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

NOV 16 2001

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: