

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.	30-015-02523
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	LG-1171

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 type="checkbox"/> OTHER SWD <input checked="" type="checkbox"/>	7. Lease Name or Unit Agreement Name Flower AGA State SWD
2. Name of Operator YATES PETROLEUM CORPORATION	8. Well No. 2
3. Address of Operator 105 South 4th St., Artesia, NM 88210	9. Pool name or Wildcat SWD-Delaware
4. Well Location Unit Letter H : 1980 Feet From The North Line and 660 Feet From The East Line Section 3 Township 26S Range 28E NMPM Eddy County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 2940' GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: Look for hole ☒

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.

12-29-98 - Moved in and rigged up pulling unit. Bled tubing down. Casing went to 0 as soon as tubing opened up. Suspect hole is where slips are around tubing.  
12-30-98 - Rigged up spear with extension and 1.992" grapple and latched onto tubing. Picked up on tubing. Packer was not in tension - could move packer down. Released grapple. Latched onto tubing. Tried to release packer. Pulled 10K over tubing weight and tubing parted 6' down. TIH with 2-3/8" grapple, 4-5/8" overshot, 3' extension and tubing. Tagged fish at 1038'. Tubing and packer fell to PBTD 3538'. Could not get on fish. TOOH with tubing and overshot. TIH with 2-3/8" grapple, 4-5/8" overshot, 13' extension and tubing. Latched onto fish at 1038'. TOOH with tubing, overshot, extension and grapple - had fish. TOOH with tubing and Arrow tension packer. TIH with work string. TIH with work string. TOOH and laid tubing down.

12-31-98 - TIH with packer and 2-3/8" plastic coated tubing. Tested tubing to 4000 psi, tested good. Set packer at 2488'. Performed MIT and tested packer to 550 psi for 30 minutes, OK. Notified OCD-Artesia of MIT - no witness. Released well to production.

SEE ATTACHED CAHRT FOR MECHANICAL INTEGRITY TEST.

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 Jan. 5, 1999

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY [Signature] TITLE Field Rep. II DATE Feb. 8 99

CONDITIONS OF APPROVAL, IF ANY: