

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. 30-025-23043
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4382
7. Lease Name or Unit Agreement Name Champlin AQD State
8. Well No. 1
9. Pool name or Wildcat Bagley Permo Penn, North
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4304' 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 checked="" type="checkbox"/> GAS WELL <input 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>F</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>2130</u> Feet From The <u>West</u> Line Section <u>8</u> Township <u>11S</u> Range <u>33E</u> NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4304' 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: Abandon Morrow; recompletable Atoka <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: <input 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.
Propose to abandon perforations 11003-11016' (Morrow) and recompletable to Atoka as follows:

1. Load tubing and annulus. Nipple down wellhead and nipple up BOP. POOH with tubing, packer and PBR seal assembly.
2. Set CIBP at 10950' and cap with 35' of cement to abandon perforations 11003-11016' (Morrow).
3. RIH with seal assembly, packer and tubing. Nipple down BOP and nipple up wellhead. Swab tubing down.
4. Perforate 10798-10806' (Atoka), acidize and frac as necessary for production.
5. Swab/flow test.
6. Place well into production.

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 Oct. 10, 2000

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: