

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 <del>Undesignated Morrow</del> <i>N Bagley Permian Penn</i>

**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.) <u>4304' GR</u>

**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: Perforate ☒

**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.**

6-26-28-99 - Cleaned location. Moved in and rigged up pulling unit.  
6-29-99 - Rigged up reverse unit. TIH with bit, drill collars and 2-7/8" tubing. Tagged cement at 9525'. Rigged up swivel and drilled cement to 10001' (tagged top of liner). Circulated clean. Tested casing and liner top to 2000 psi. TOOH. Shut in.  
6-30-99 - TIH with 2-3/4" skirted bit, 46 joints of 1-1/2" MT drillpipe, crossover and 2-7/8" tubing. Tagged top of liner. Washed down 60'. TIH and tagged at 11145'. Drilled out to 11225'. Tested liner top and casing to 2000 psi. Displaced with 2% KCL. TOOH and laid down 1-1/2" tubing and drill collars. Shut well in.  
7-1-99 - TIH with polishing mill and tagged top of liner. Rigged up swivel and rotated mill and polished receptacle. TOOH. Rigged up wireline. TIH with logging tools and ran GR/CBL in 3-1/2" liner. TOOH with logging tools and rigged down wireline.  
7-2-99 - TIH with seal assembly, 10' 2-7/8" pup joint, 2.25" F nipple, packer, 2.25" XL on/off tool and 2-7/8" tubing. Sting into liner receptacle. Tested down tubing to 2000 psi. Picked up 3' and set packer. Tested tubing to 5000 psi for 3 minutes. Nippled down

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE July 8, 1999  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

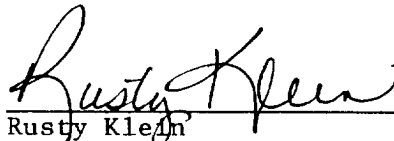
ORIGINAL SIGNED BY CHIEF OF DIVISION  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Champlin AQD State #1  
Section 8-T11S-R33E  
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

BOP and nipped up tree. Flanged up tree and tested. Swabbed tubing to 8700'. Rigged up wireline with lubricator and grease. TIH with 2-1/8" spiral enerjet strip gun and perforated 11003-11016' w/84 .25" holes (6 SPF - Morrow). TOOH with guns. Rigged down wireline, lubricator and grease. Swabbing.

A handwritten signature in cursive script, reading "Rusty Klein", is written over a horizontal line.

Rusty Klein  
Operations Technician  
July 8, 1999