

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.	30-025-33743
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-0477
7. Lease Name or Unit Agreement Name	Quota AQT State
8. Well No.	1
9. Pool name or Wildcat	Bar U Penn

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	
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>1980</u> Feet From The <u>West</u> Line Section <u>1</u> Township <u>9S</u> Range <u>32E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4415' 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"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Perforate & acidize <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.

3-4-97 - Cleaned location, set and tested anchors.

3-5-97 - Moved in and rigged up pulling unit. Installed BOP and tested casing to 2100 psi. TIH with bit, scraper and 2-7/8" tubing to 9563'. Displaced casing with 2% KCL water. TOOH. Rigged up wireline. TIH with logging tools and ran CBL/CCL/GR log. TOOH with logging tools. Rigged down wireline.

3-6-97 - Rigged up wireline. TIH with 4" casing guns and perforated 9516-9525' w/10 .41" holes (1 SPF - Cisco). TOOH with casing guns and rigged down wireline. TIH with packer and 2-7/8" tubing. Spot 1 bbl 15% double inhibited iron control HCL acid at 9524'. Pulled up and set packer at 9430'. Pressured annulus to 1500#. Pressured up on tubing to 2500#. Perforations would not break down. Unset packer. Dropped back down to 9524'. Spot 2 bbls 15% double inhibited iron control HCL acid. Pulled up and set packer at 9430'. Pressured tubing to 7500 psi. Shut well in to let acid soak on perforations.

3-7-97 - Pressured up on tubing to 5100 psi. Pressured annulus to 1800 psi. Pressured

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 March 7, 1997

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

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON

MAR 17 1997

APPROVED BY DISTRICT SUPERVISOR TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION
Quota AQT State #1
Section 1-T9S-R32E
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

up on tubing. Formation broke. Acidized perforations 9516-9525' with 900 gallons
15% iron control HCL acid and ball sealers. Bled well down and began swabbing.



Rusty Klein
Operations Technician
March 7, 1997