

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: OR 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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <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: Set conductor & resume drilling <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.

1-17-97 - TD 40'. Drilled 18" hole to 40'. Drilled 26" hole to 18'. Broke down. Shut down to repair. NOTE: Notified Bonnie w/OCD-Hobbs.

1-18-97 - TD 40'. Finished drilling 26" hole to 40'. Set 40' of 20" conductor. Cemented to surface. Rigging up rotary tools.

Resumed drilling a 14-3/4" hole with rotary tools at 11:15 AM 1-18-97.

TD 454'. Reached TD at 10:00 PM 1-18-97. Ran 11 joints of 11-3/4" 42# H-40 8rd ST&C (464.47') of casing set at 454'. 1-Texas Pattern notched guide shoe set at 454'. Insert float set at 412'. Cemented with 300 sacks Halliburton Premium Plus and 2% CaCl₂ (yield 1.34, weight 14.8). PD 6:45 AM 1-19-97. Bumped plug to 680 psi, OK. Circulated 46 sacks. WOC. Nipped up and tested to 1000 psi for 30 minutes, OK. Drilled out at 12:30 AM 1-20-97. WOC 17 hours and 45 minutes. Reduced hole to 11". 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 Jan. 23, 1997

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

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE JAN 28 1997

CONDITIONS OF APPROVAL, IF ANY: