

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Revised 06/99

SUBMIT ORIGINAL
PLUS 2 COPIES
TO APPROPRIATE
DISTRICT OFFICE

APPLICATION FOR
WELL WORKOVER PROJECT

H-0574

I. Operator and Well

Operator name & address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210							OGRID Number 25575		
Contact Party Pinson McWhorter							Phone 505-748-1471		
Property Name Mescalero ARL State						Well Number #1	API Number 30-025-33969		
UL P	Section 2	Township 10S	Range 32E	Feet From The 330'	North/South Line South	Feet From The 330'	East/West Line East	County Lea	

II. Workover

Date Workover Commenced: 8/3/99	Previous Producing Pool(s) (Prior to Workover): Mescalero North Cisco
Date Workover Completed: 8/9/99	

III. Attach a description of the Workover Procedures performed to increase production.

IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase.

V. AFFIDAVIT:

State of New Mexico)
) ss.
County of Eddy)
Pinson McWhorter, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced Well.
- I have made, or caused to be made, a diligent search of the production records reasonably available for this Well.
- To the best of my knowledge, this application and the data used to prepare the production curve and/or table for this Well are complete and accurate.

Signature Pinson McWhorter Title Reservoir Engineering Supervisor Date Jan 11, 2000

SUBSCRIBED AND SWORN TO before me this 11 day of January, 2000.

My Commission expires: 10-31-2002

Notary Public Ranell Rusty Klein

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed on 8-9-99.

Signature District Supervisor <u>[Signature]</u>	OCD District <u>1</u>	Date <u>1/24/2000</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

MP

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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.	30-025-31969
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-0621
7. Lease Name or Unit Agreement Name	
Mescalero ARI. State	
8. Well No.	1
9. Pool name or Wildcat	Mescalero Cisco Northeast

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4230' 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 P : 330 Feet From The South Line and 330 Feet From The East Line Section 2 Township 10S Range 32E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4230' 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: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Add perforations & 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.

8-3-99 - Moved in and rigged up pulling unit. Released pump. TOOH with rods. Released tubing anchor. TOOH with tubing.

8-4-99 - Rigged up wireline. TIH with 4" casing guns and perforated 8831-9456' w/32 .42" holes as follows: 9453-9456', 9435-9440', 9242-9246', 8996-9002', 8831, 32, 33, 51, 52, 58, 59, 60, 63 & 8864' (1 SPF - Bough & Cisco). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Set packer. Acidized perforations 9435-9456' with 2000 gallons 15% iron control HCL acid and ball sealers. Sandline broke. TOOH with tubing and retrieved sandline out of tubing. TIH with packer and tubing. Set packer. Swabbing.

8-5-99 - Pumped 30 bbls 2% KCL water down tubing and 20 bbls down casing. Released packer. TOOH with tubing and packer. TIH with RBP, packer and tubing. Set RBP at 9288'. Set packer at 8941'. Acidized perforations 8996-9246' with 3000 gallons 15% iron control HCL acid and ball sealers. Swabbed. Shut well in.

8-6-99 - Swabbed. Released packer and RBP. Reset RBP at 8909' and packer at 8783'.

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 Aug. 20, 1999

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-147

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

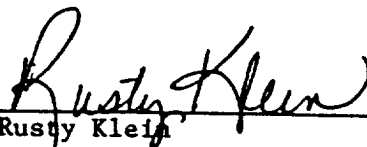
CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION
Mescalero ARL State #1
Section 2-T10S-R32E
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

Acidized perforations 8831-8864' with 2500 gallons 15% iron control HCL acid and ball sealers. Swabbed. Shut well in.
8-7-9-99 - Opened well up and flow tested. Pumped 30 bbls 2% KCL water. Released packer and RBP. TOOH with tubing, packer and RBP. Released well to production department.

NOTE: Perforations open: 8668-9484'



Rusty Klein
Operations Technician
August 20, 1999

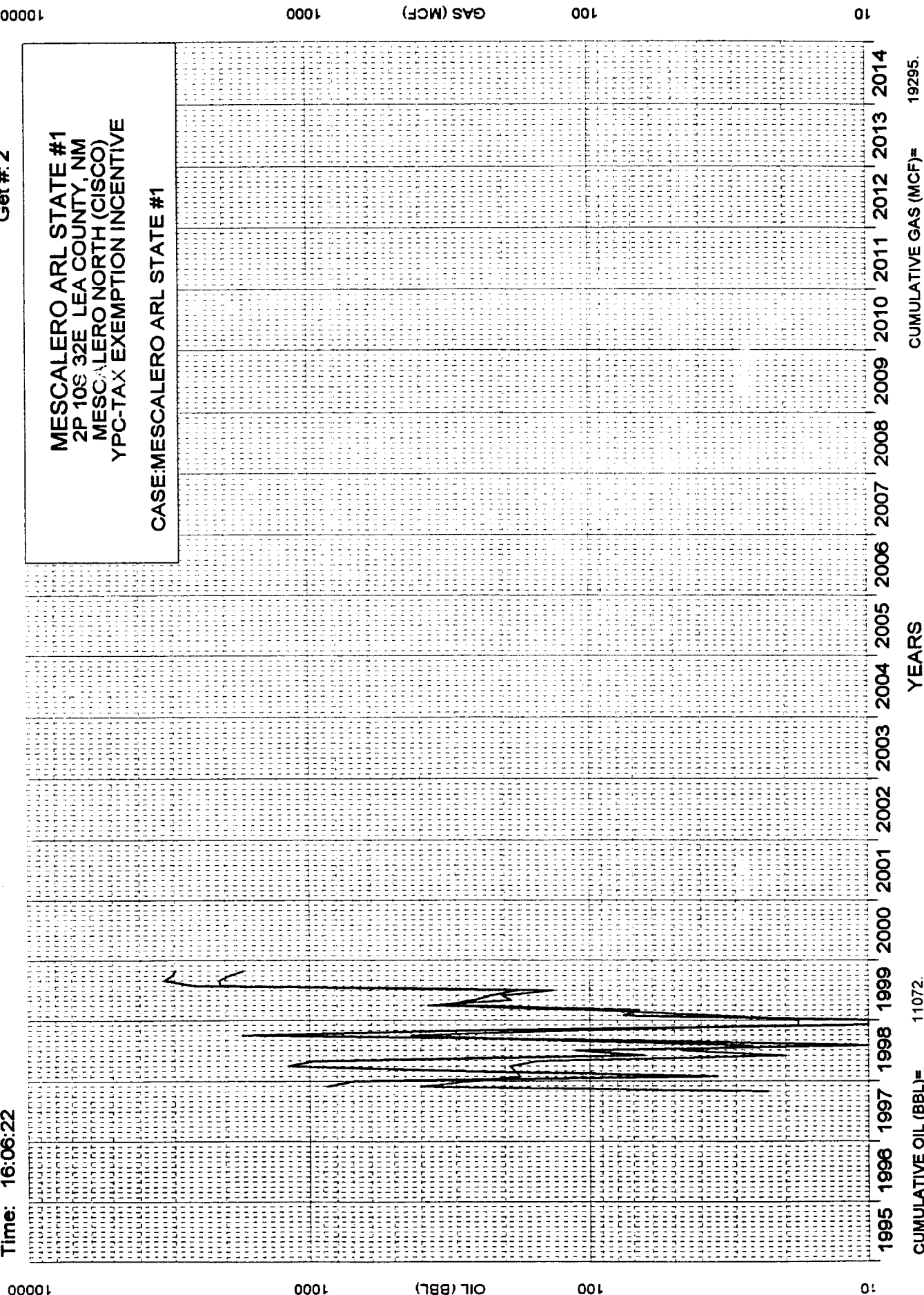
PRODUCTION HISTORY

Date: 01/03/11
Time: 16:06:22

File: MESCALRO
Get #: 2

MESCALERO ARL STATE #1
2P 10S 32E LEA COUNTY, NM
MESCALERO NORTH (CISCO)
YPC-TAX EXEMPTION INCENTIVE

CASE:MESCALERO ARL STATE #1



MPSD821

Inquire/Update Production History

1/03/00

15:07:04

Property 039485 001 Mescalero ARL STATE #1

YPC

Production Date Range 01 1999 to 01 2000

Type options, press Enter.

2=Edit 4=Delete 5=Display

	Prod	Well	API	Reg.	Days	Oil	Gas	Water
	Mo/Year	Name	Cmpl	Prod	Produced	Sold	Produced	Sold
11	1999	MESCALERO ARL STAT S1	30	1720	1619	2996	2996	1794
10	1999	MESCALERO ARL STAT S1	31	1943	1985	3065	3065	1758
9	1999	MESCALERO ARL STAT S1	30	2100	2140	3277	3277	1944
8	1999	MESCALERO ARL STAT S1	25	2083	1944	2562	2562	1827
7	1999	MESCALERO ARL STAT S1	6	134	178	179	179	266
6	1999	MESCALERO ARL STAT S1	7	204	180	224	224	384
5	1999	MESCALERO ARL STAT S1	16	189	181	255	255	357
4	1999	MESCALERO ARL STAT S1	6	376	360	332	332	110
3	1999	MESCALERO ARL STAT S1	2	98	177	67	67	6
2	1999	MESCALERO ARL STAT S1	1	33		76	76	17

F3=Exit F6=Add F10=Totals F11=Expand/Compress F12=Previous F15=Print