State of New Mexico E. Ly, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

OIL CONSERVATION DIVISION DISTRICT I WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-33969 Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATE FEE L DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. VA-0621 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: OIL X WELL Mescalero ARL State OTHER 8. Well No. 2. Name of Operator YATES PETROLEUM CORPORATION 9. Pool name or Wildcat 3. Address of Operator 105 South 4th St., Artesia, NM 88210 Mescalero Cisco Northeast 4. Well Location 330 Unit Letter P : 330 Feet From The South Line and Feet From The hip 10S Range 32E 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 32E Lea Township County 4230 GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: **ALTERING CASING** PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT TEMPORARILY ABANDON CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Perforate & acidize 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. 11-19-97 - Cleaned location and set anchors. Installed 11" 3000# X 7-1/16" 3000# tubing head. Moved in and rigged up pulling unit. Rigged up wireline. TIH with logging tools and ran GR/CBL log. TOOH with logging tools and rigged down wireline. 11-20-97 - TIH with bit, scraper and 2-7/8" tubing. Tagged PBTD at 9482'. Pulled up to 8750'. Pickled tubing with 500 gallons 15% HCL acid. Reversed out to pit. TOOH with tubing. Shut well in. 11-21-97 - Rigged up wireline. TIH with 4" casing guns and perforated 8718-8728' w/11 .42" holes (Bough C). TOOH with casing guns and rigged down wireline. TIH with packer to 8735'. Spotted 100 gallons 15% iron control HCL acid. Pulled up to 8647'. Reversed 2 bbls. Set packer. Break down perforations. Put away spot acid. Opened bypass. Spot acid and balls to packer. Closed bypass. Acidized perforations 8718-8728' with 2400 gallons 15% iron control HCL acid and ball sealers. Bled well down. Released packer. Nippled down BOP and set packer. Flanged up. Swabbing. $11-22-24-97_1$ - Swabbed. Shut well in. CONTINUED ON NEXT PAGE: I hereby certify that the information above is true and camplete to the best of my knowledge and belief. Operations Technician Nov. 25, 1997 SIGNATURE Rusty Klein TELEPHONE NO. 505/748-147TYPE OR PRINT NAME (This space for State (Date) IG!NAL SIGNED BY CHRIS WILLIAMS DISTRICT I SUPERVISOR

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CONDITIONS OF APPROVAL, IF ANY:

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

SUNDRY NOTICE CONTINUED:

11-25-97 - Bled well down. Loaded tubing with 2% KCL. Released packer. Nippled up BOP. TOOH with packer. Rigged up wireline. TIH with 4" casing guns and perforated 8668-8684' w/17 .42" holes (Bough B). TOOH with casing guns and rigged down wireline. TIH with packer and RBP. Set RBP at 8700' and tested to 1500 psi, OK. Spotted 100 gallons 15% iron control HCL acid. Pulled up to 8600' and reversed 2 bbls to pit. Set packer. Breakdown perforations. Acidized perforations 8668-8684' with 2400 gallons 15% iron control HCL acid and ball sealers. Bled well down. Swabbing.

Rusty Klein

Operations Technician November 25, 1997