

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. 30-025-35148
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1333
7. Lease Name or Unit Agreement Name Taco AUK State
8. Well No. 2
9. Pool name or Wildcat Wildcat <del>Devonian</del> <u>Alaska</u>

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>A</u> : <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>10</u> Township <u>10S</u> Range <u>34E</u> NMPM Lea County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>4197' GR</u>

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: <u>Perforate &amp; acidize</u> <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.

11-3-2000 - Moved in pulling unit. Set anchors and cleaned location.

11-4-6-2000 - Rigged up pulling unit. Nippled up BOP. TIH with bit, drill collars and tubing and tagged up at 12950'. Shut down for night.

11-7-2000 - Rigged up swivel and started drilling and washing at 12915'. Drilled out float collar and 30' of cement in shoe joint. Circulated clean. TOOH. Rigged up wireline. TIH with logging tools and ran GR/CBL log. TOOH with logging tools and rigged down wireline. Shut well in.

11-8-9-2000 - Shut down due to weather.

11-10-2000 - TIH with bit and collars and tagged up at 12968'. Rigged up swivel and drilled 6'. Displaced hole. Shut well in.

11-11-13-2000 - Rigged up wireline. TIH with 4" casing guns and perforated 12964-12974' w/40 .42" holes (4 SPF - Devonian). TOOH with casing guns and rigged down wireline. TIH with packer with 2.25" on/off tool and tubing. Nippled down BOP and nipped up tree. Set packer and flanged up. Swabbed. Shut well in.

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 Feb. 15, 2001

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Taco AUK State #2  
Section 10-T10S-R34E  
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

11-14-2000 - Acidized perforations 12964-12974' (Devonian) with 1000 gallons of 20% iron control HCL acid. Flushed with 7% treated fluid. Swabbed. Shut well in.  
11-15-2000 - Swabbed. Shut well in due to swab cup problems.  
11-16-2000 - Swabbed. Started losing rubber off cups and setting down at 7500'. Ran sinker bar without cups. Tried to knock rubber down hole. Could not get down. Released on/off tool. Reversed out acid and rubber. Latched onto packer. Tested to 500 psi. Swabbed tubing down to 8000'. Shut well in.  
11-17-2000 - Swabbed. Shut well in.  
11-18-20-2000 - Swabbed. Shut well in.  
11-21-2000 - Swabbed. Loaded tubing. Released packer. Nippled down tree and nipped up BOP. TOOH. TIH with bit and drill collars. Shut well in.  
11-22-2000 - Finished TIH with bit and drill collars. Rigged up swivel. Drilled 3' of cement, float shoe and 3' of formation. TOOH and laid down bit and drill collars. Shut well in.  
11-23-27-2000 - TIH with packer and on/off tool. Nippled down BOP and nipped up tree. Set packer at 12931'. Loaded and tested annulus to 1000 psi. Swabbed. Shut well in.  
11-28-2000 - Swabbed. Loaded tubing. Released packer. Nippled down tree and nipped up BOP. TOOH. Rigged up wireline. TIH with 5-1/2" CIBP and set CIBP at 12950'. Capped with 35' of cement. Shut well in.  
11-29-2000 - Rigged up wireline. TIH with 3-3/8" casing guns and perforated 12878-12894' w/96 .45" holes (6 SPF - Woodford Sand). TOOH with casing guns and rigged down wireline. TIH with packer with 2.25" on/off tool. Nippled down BOP and nipped up tree. Set packer at 12834'. Swabbed tubing dry. Shut well in.  
11-30-2000 - Swabbed. Rigged up tree saver. Acidized perforations 12878-12894' with 1600 gallons of 7-1/2% Morrow acid. Rigged down tree saver. Flowed to pit for cleanup. Shut well in.  
12-1-2000 - Bled well down. Swabbed. Shut well in.  
12-2-4-2000 - Bled well down. Swabbed. Shut well in.  
12-5-2000 - Shut in. Rigged down and moved off. Waiting on decision.  
12-6-31-2000 - Shut in.  
1-1-19-2001 - Shut in.  
1-20-22-20001 - Moved in and rigged up pulling unit.  
1-23-2001 - Bled well down. Swabbed & flow tested. Shut well in.  
1-24-2001 - Swabbed. Loaded tubing. Released packer. Nippled down tree and nipped up BOP. TOOH. Shut well in.  
1-25-2001 - Rigged up wireline. TIH with 5-1/2" CIBP and set CIBP at 12860'. TOOH. TIH with 4" casing guns and perforated 12386- 12466' w/82 .40" holes as follows: 12386-12340' (26 holes); 12432-12440' (18 holes); 12444-12451' (16 holes) and 12456-12466' (22 holes). TOOH with casing guns and rigged down wireline. TIH with packer with 2.25" on/off tool to 12344'. Nippled down BOP and nipped up tree. Set packer. Acidized perforations 12386-12466' with 3500 gallons of 15% iron control HCL acid. Swabbed. Shut well in.  
1-26-2001 - Bled well down. Swabbed. Shut well in.  
1-27-29-2001 - Bled well down. Swabbed. Loaded tubing. Released packer. Nippled down tree and nipped up BOP. POOH with 50 stands. Shut well in for night.

YATES PETROLEUM CORPORATION  
Taco AUK State #2  
Section 10-T10S-R34E  
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

1-30-2001 - Finished TOOH with tubing. Rigged up wireline. TIH with 5-1/2" CIBP and set CIBP at 12360'. Capped with 35' of cement. TIH with 4" casing guns and perforated 11706-11848' w/54 .42" holes as follows: 11844-11848' (24 holes) and 11706-11711' (30 holes) (6 SPF - Morrow). TOOH with casing guns and rigged down wireline. TIH with packer and RBP with ball catcher to 11870'. Set RBP at 11870'. Pulled up. Nippled down BOP and nipped up tree. Set packer. Shut well in.

1-31-2001 - Swabbed. Shut well in.

2-1-2001 - Rigged up tree saver. Acidized perforations 11844-11848' (Morrow) with 500 gallons of 7-1/2% Morrow acid with 1000 scf/bbl N2. Rigged down tree saver. Opened well up and began flowing back. Flow tested. Swabbed. Shut well in.

2-2-2001 - Bled well down. Swabbed & flow tested. Shut well in.

2-3-5-2001 - Flared well down. Swabbed. Loaded tubing. Nippled down tree. Released packer and RBP. Moved tools. Set RBP at 11726' and tested to 1 000 psi. Swabbed tubing down.

2-6-2001 - Bled well down. Swabbed. Rigged up treesaver. Acidized perforations 11706-11711' (Morrow) with 1500 gallons of 7-1/2% Morrow acid with 25% methanol and 1000 scf/bbl N2. Rigged down treesaver. Opened to pit and flowed well. Swabbed. Flow tested. Shut well in.

2-7-2001 - Flared well down. Swabbed. Flow tested. Shut well in.

2-8-2001 - Bled well down. Released packer. Nippled down tree and nipped up BOP. Picked up 3 joints of tubing. Released RBP. TOOH. Rigged up wireline. TIH with 5-1/2" CIBP and set CIBP at 11695'. Capped CIBP with 35' of cement. TIH with 3-3/8" casing guns and perforated 11336-11346' w/60 .42" holes (6 SPF - Atoka). TOOH with casing guns and rigged down wireline. Started in hole with packer and tubing. Shut down due to wind.

2-9-2001 - Finished TIH with tubing and packer. Nippled down BOP. Nippled up tree. Set packer. Swabbed. Shut well in.

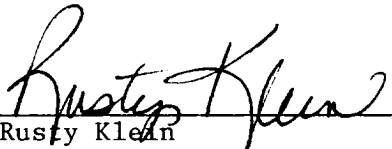
2-10-12-2001 - Bled well down. Swabbed. Rigged up treesaver. Acidized perforations 11336-11346' (Atoka) with 1000 gallons of 7-1/2% Morrow acid with 1000 scf/bbl N2 and ball sealers. Rigged down treesaver. Opened well and began flowing back. Swabbed & flow tested. Shut well in.

2-13-2001 - Bled well down. Swabbed & flow tested. Shut well in.

2-14-2001 - Flow tested & swabbed. Shut well in.

2-15-2001 - Bled well down. Swabbed. Flow tested. Shut well in.

2-16-2001 - Bled well down. Flow tested. Shut well in. Released well to production department.

  
Rusty Klein  
Operations Technician  
February 15, 2001