

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. 3D-005-20631
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Phyllis
8. Well No. 2
9. Pool name or Wildcat SE Chaves Queen Gas Area Assoc.
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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 Drilling Company	3. Address of Operator 105 South 4th Street, Artesia, NM 88210	4. Well Location Unit Letter K : 1980 Feet From The South Line and 1730 Feet From The West Line Section 3 Township 13S Range 31E NMPM Chaves County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)			

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: <input 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.

Propose to plug and abandon this well, as follows:

1. Set cement retainer at approximately 2500' and squeeze perfs. w/35 sxs. cement.
2. Spot 100' of cement from top of retainer to 2400'.
3. Spot 200' of cement from 2100'-1900'.
4. Spot 100' of cement from 1143'-1043'.
5. Spot 200' of cement from 603'-403'.
6. Spot 100' of cement from 100'-0.
7. Set surface marker.
8. Clean location.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

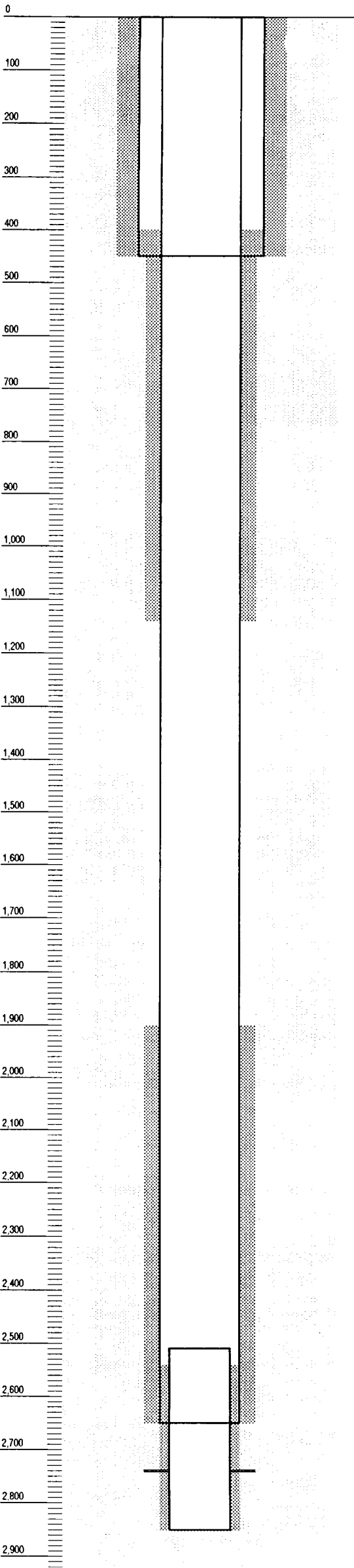
SIGNATURE *John R. Kautz* TITLE Petroleum Engineer DATE 10-4-93
TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

APPROVED BY *John R. Kautz* SIGNED BY *John R. Kautz* TITLE Geologist DATE OCT 06 1993

CONDITIONS OF APPROVAL, IF ANY:

THE COMMISSION MUST BE NOTIFIED 24 HOURS PRIOR TO THE BEGINNING OF PLUGGING OPERATIONS FOR THE C-103 BE APPROVED



Yates Drilling Company
Phyllis # 02
K-3-13S-31E
Chavez County, NM