Sumit 3 Copies to Appropriate Distric: Office

1. Type of Well:

WELL

4. Well Locat on

11.

2. Name of Operator

3. Address of Operator

PERFORM REMEDIAL WORK

TEMPORARILY ABANDON

PULL OR ALTER CASING

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

P.O. Box 2088

P.O. Drawer DID, Artesia, NM 88210

1000 Rio Brazes Rd., Aztec, NM 87410

WELL X

YATES PETROLEUM CORPORATION

OIL CONSERVATION DIVISION WELL API NO. 30-025-02680 Santa Fe. New Mexico 87504-2088 5. Indicate Type of Lease STATEX FEE . 6. State Oil & Gas Lease No. VA-1904 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.) Austral AUW State Com COLUMN 8. Well No. 9. Pool name or Wildcat Wildcat Morrow 105 South 4th St., Artesia, NM 88210 __ Line and 1980 South Unit letter 0: 660 Feet From The Feet From The Line 35E Lea 12S Range **NMPM** County Township 10. Elevation (Show whether DF, RKB, RT, GR, etc.) Unknown Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTERING CASING PLUG AND ABANDON REMEDIAL WORK PLUG AND ABANDONMENT CHANGE PLANS COMMENCE DRILLING OPNS. CASING TEST AND CEMENT JOB OTHER: Spud on re-entry

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. 3-8-2000 - Scraped off pad and dig out cellar. Removed dry hole marker. Dressed off 13-3/8" casing and weld on 13-3/8" X 13-5/8" 3K head. Set new cellar and backfilled. Dug workover pit and set anchors. Shut down due to high winds. 3-9-2000 - Moved in and rigged up pulling unit and re-entry equipment. Connected 3" flowline to shale shaker. Nippled up 3K BOP. TIH with 4-3/4" drill collars, 8-3/4" bit and tubing. Spudded on surface plug at 7:00 PM 3-8-2000. Drilled 2' and water started coming up in bottom of cellar. Shut down pump. Bailed out cellar. Found 1-1/2" hole in 13-3/8" casing just below ground level. Dug out around 13-3/8" casing. Called welder and patched hole. Started pumping and looked okay. Water came up below ground level. Laid down drill collars and bit. Nippled down BOP. Cut off 13-3/8" casing. Dug down 6' with backhoe and found another hole 1' below 1st hole. Cut off and dressed 13-3/8". Welded on starting head. 3-10-2000 - Welded on 13-3/8" X 3' piece of casing. Welded on slip joint and 13-3/8" X 13-5/8" 3K head. Nippled up BOP and flowline. Picked up drill collars and bit. I hereby certify that the information above is true and complete to the best of my knowledge and belief. CONTINUED ON NEXT PAGE: Operations Technician SIGNATURE 1 TELEPHONE NO. 505/748-147 Rusty Klein

(This space for State Use)

APPROVED BY --

CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION Austral AUW State Com #1 Section 6-T12S-R35E Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

Resumed drilling on surface plug. Drilled 10' and fell out. Lost circulation but regained. Took 15 bbls to break circulation. TIH and tagged up at 103'. Washed down to 400'. Drilled 10' plug. Washed down to 1085'. Drilling on plug at 1162' at report time.

3-11-2000 - Drilled from 1162-1219' redbed. Possibly kicked off plug around 1115'±. TOOH. Rigged up Rotary Wireline. TIH with fish finder and found top of casing at 1126'. Set down at 1213' - beside pipe from 1126-1213'. TOOH and rigged down wireline. TIH with 11-3/4" OD skirted dress off mill to attempt to hook into top of casing. 3-12-13-2000 - TIH with 11-3/4" dress off mill to 1205'. Did not touch casing stub. TOOH. Decision made to terminate re-entry.

Rusty Klein

Operations Technician March 14, 2000