

Submit 3 Copies
to Appropriate
District Office

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-103
Revised 1-1-89

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.)		WELL API NO. 30-025-28137
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator YATES PETROLEUM CORPORATION		6. State Oil & Gas Lease No. V-644
3. Address of Operator 105 South 4th St., Artesia, NM 88210		7. Lease Name or Unit Agreement Name Paloma WW State
4. Well Location Unit Letter <u>F</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>3</u> Township <u>14S</u> Range <u>33E</u> NMPM <u>Lea</u> County <u></u>		8. Well No. 1
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4236.1' GR		9. Pool name or Wildcat Lazy J Penn

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"/>	OTHER: Add pay to existing zone <input checked="" 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 add Permo-Penn pay as follows: Perforate 9300-9612' w/42 holes. Acidize perforations with 4500 gals 15% NEFE HCL acid. Existing pay will be produced with new pay when well is returned to production.

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

SIGNATURE Juanita Goodlett TITLE Production Supervisor DATE 3-26-92
TYPE OR PRINT NAME Juanita Goodlett TELEPHONE NO. 505/748-1471

(This space for State Use)

Signed by
Paul Kautz
Geologist

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

see attached letter



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

March 31, 1992

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210

Attn: Mr. M. W. Slater

RE: Paloma WW State #1
Unit F, Sec. 3, T14S, R33E
Lazy J Penn Pool

Gentlemen:

Your proposal to add Permo Penn (Wolfcamp) perms 9300-9612 to the above-referenced well has been received. According to our records this well currently produces from the Lazy J Penn through perms 9737-9886 (Upper Penn). Since the Lazy J Penn Pool is limited to Penn production you will not be able to produce the new perforations with the current zone without approval to downhole commingle.

If you anticipate marginal production from the Permo Penn you may wish to get approval to downhole commingle these zones prior to doing the work so the well will not have to be shut in so long after completion in the Permo Penn zone. The allocation formula could be assigned after you have test info on that zone.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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