

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. 30-025-33275
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-0357
7. Lease Name or Unit Agreement Name Papalotes Unit
8. Well No. 1
9. Pool name or Wildcat Wildcat Morrow
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4092' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEFEN 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 PETROLEUM CORPORATION
3. Address of Operator 105 South 4th St., Artesia, NM 88210
4. Well Location Unit Letter I : 1960 Feet From The South Line and 330 Feet From The East Line Section 34 Township 14S Range 34E NMPM Lea County

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: Perforate and acidize <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.

5-21-96 - Moved in and rigged up pulling unit. Unseat pump. TOOH with rods and pump. Bled off casing. Released tubing anchor. Nippled up BOP. TOOH with tubing. Rigged up wireline. TIH with 4" casing guns and perforated 10524-10530' (Bough D) with 4 .42" holes as follows: 10524, 26, 28 & 10530'. TOOH with wireline. TIH with 5-1/2" 17-20# Uni V 10K packer.

5-22-96 - Pumped 240 bbls 2% KCL down annulus. Did not load. Spotted 2 bbls 20% NEFE acid at 10535'. Set packer at 10500'. Pumped in perforations 10524-10530' at 1.3 BPM at 4200 psi. Acidized perforations 10524-10530' with 1000 gallons 20% NEFE acid. With 13 bbls in formation, communicated up thru perforations 10439-10468'. Released packer and pulled up to 10400'. Set packer at 10400'. Loaded annulus with 110 bbls. Pressured to 2000 psi. Released packer. Set packer at 10500'. Swabbing.

5-23-96 - Swabbing.

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

SIGNATURE Rusty Klein TITLE Operations Technician DATE May 24, 1996
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Paul Kautz TITLE Geologist DATE MAY 30 1996
CONDITIONS OF APPROVAL, IF ANY: