

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

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	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4092' GR	

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, acidize, squeeze, re-perf <input checked="" type="checkbox"/> and acidize

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.

4-30-96 - Nippled down tree. Nippled up BOP. TOOH with 2-7/8" L-80 tubing. Laid down 97 joints. Spotted 200 gallons 20% double inhibited iron control acid at 10650'. TOOH. Rigged up wireline. TIH with 4" casing guns and perforated 10584-10642' w/14 .42" holes as follows: 10584, 86, 88, 90, 94, 96, 98, 10600, 32, 34, 36, 38, 40 & 10642' (1 SPF). TOOH with casing guns and rigged down wireline. TIH with 5-1/2" 17-20# 10K Uni V packer to 10536'. Pumped 5 bbls 2% down annulus. Did not circulate. Set packer. Loaded with 13 bbls. Rigged up BJ Services. Loaded tubing with 8 bbls. Acidized perforations 10584-10642' with 3000 gallons 20% NEFE acid. Swabbing.  
5-1-96 - Swabbing.  
5-2-96 - Released packer. TOOH with tubing and packer. Rigged up wireline. TIH with 5-1/2" Elder cement retainer and set retainer at 10550'. TOOH with wireline. TIH with stinger on 2-7/8" L-80 tubing. Spaced out. Loaded hole. Sting into retainer. Pumped thru retainer. Injection rate of 3 BPM at 1800 psi and climbing. Sting out of retainer. Mixed and pumped 50 sacks "H" with .4% fluid loss and 110 sacks "H" Neat (yield 1.18,

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 Production Clerk DATE May 7, 1996  
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:

MAY 10 1996