

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 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	
2. Name of Operator YATES PETROLEUM CORPORATION	
3. Address of Operator 105 South 4th St., Artesia, NM 88210	
4. Well Location Unit Letter <u>I</u> : <u>1960</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>East</u> Line Section <u>34</u> Township <u>14S</u> Range <u>34E</u> 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 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.

CONTINUED FROM PREVIOUS PAGE:

weight 15.6). Spot cement within 10 bbls of stinger. Sting into retainer. Squeezed to 3700psi with 90 sacks in formation. Sting out of retainer. Reversed out 65 sacks. Pulled 10 stands. Shut in.

5-3-96 - TIH with tubing to 10480'. Spot 110 gallons 20% double inhibited iron control HCL acid. TOOH with tubing. Rigged up wireline. TIH with 4" casing guns and perforated 10439-10468' w/9 .42" holes (Bough C). TOOH with casing guns and rigged down wireline. TIH with 5-1/2" 17-20# 10K Uni V packer to 10430'. Reversed 3 bbls. Set packer. Pressured annulus to 500 psi. Opened by-pass. Spot acid to packer. Closed by-pass. Acidized perforations 10439-10468' with 2000 gallons 20% NEFE acid and ball sealers. Bled off. Swabbing.

5-4-96 - Continue swabbing.

5-5-6-96 - Bled down and swabbed. Shut well in.

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

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: