State of New Mexico

Ener   Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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 [X]   FEE [ ]

6. State Oil & Gas Lease No.
VA-0357

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.)

7. Lease Name or Unit Agreement Name

Papalotes Unit

1. Type of Well:
OIL WELL [X]   GAS WELL [ ]   OTHER

8. Well No.
1

2. Name of Operator
YATES PETROLEUM CORPORATION

9. Pool name or Wildcat
Wildcat Strawn

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:

PERFORM REMEDIAL WORK [ ]   PLUG AND ABANDON [ ]

TEMPORARILY ABANDON [ ]   CHANGE PLANS [ ]

PULL OR ALTER CASING [ ]

OTHER: _____ [ ]

SUBSEQUENT REPORT OF:

REMEDIAL WORK [ ]   ALTERING CASING [ ]

COMMENCE DRILLING OPNS. [ ]   PLUG AND ABANDONMENT [ ]

CASING TEST AND CEMENT JOB [ ]

OTHER: Spud [X]

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.

Spudded a 12-1/4" hole with rat hole machine at 10:00 AM 1-31-96. Drilled 10'.
Shut down. NOTE: Notified Bonnie w/OCD-Hobbs.

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

SIGNATURE _____   TITLE Production Clerk   DATE 1-31-96

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

TITLE _____

FEB 02 1996

APPROVED BY _____   DATE _____

CONDITIONS OF APPROVAL, IF ANY: