

State of New Mexico  
Energy, Minerals and Natural Resources Department

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. <b>30-025-35422</b>	
5. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>	
7. Lease Name or Unit Agreement Name  <b>Morton Unit</b>	
8. Well No. <b>3</b>	9. Pool Name or Wildcat <b>Morton Mississippian</b>

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 <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator <b>YATES PETROLEUM CORPORATION</b>	
3. Address of Operator <b>105 South 4th Street, Artesia, NM 88210</b>	
4. Well Location Unit Letter <b>P</b> : <b>800</b> Feet From The <b>South</b> Line and <b>660</b> Feet From The <b>East</b> Line Section <b>32</b> Township <b>14S</b> Range <b>35E</b> NMPM Lea COUNTY	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <b>4176' GR</b>	

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"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <u>Drill</u> <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.

8-16-2001 - TD 50'. Moving in & rigging up rotary tools. Resumed drilling @ 10:00 pm 8-16-01. Drilled to 385'.  
NOTE: Notified Sylvia Dickey w/OCD - Hobbs of operations.

TD 424'. Reached TD @ 6:30 am MST 6-17-01. Ran 10 jts 11-3/4" 42# H-40 8R STC (429.99') casing set @ 424'. Texas pattern guide shoe set @ 424'. Insert float set @ 379.58'. Cemented with 175 sxs Premium Plus with 2% CaCl2 ( yld 1.34, wt. 14.8). PD @ 12:30 MST 8-17-01. Bumped plug to 450 psi held OK. Circulated 80 sxs cement. WOC. Drilled out @ 3:45 pm 8-18-01. WOC 27 hrs & 15 mins. Reduced hole to 11" & resumed drilling. Notified Sylvia Dickey w/OCD - Hobbs of operations.

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

SIGNATURE <u>Donna Clack</u>	TITLE <u>Operations Technician</u>	DATE <u>5-Nov-01</u>
TYPE OR PRINT NAME <u>Donna Clack</u>	TELEPHONE NO. <u>505-748-1471</u>	
This space for State Use)		
APPROVED BY _____	TITLE <u>CRISTINA GORDON</u>	DATE _____
CONDITIONS OF APPROVAL, IF ANY: <u>5</u> <u>L</u>		

CRISTINA GORDON  
PETROLEUM ENGINEER