

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. 30-025-02785
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Runnels ASP
8. Well No. 1
9. Pool name or Wildcat Townsend Morrow
10. Elevation (Show whether DF, RKB, RT, GR, etc.) Unknown

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 type="checkbox"/> GAS WELL <input checked="" 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>G</u> : <u>1980</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>11</u> Township <u>16S</u> Range <u>35E</u> NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) Unknown

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: <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.

5-19-98 - Discussed well condition with partners. TIH with 2.25" seating nipple and 2-7/8" tubing. Felt spot at 260'. Went down and tagged at 383'. Picked up 5'. Rigged up swab. Hole dry to 360'. Wait 1 hour - no fluid entry. Shut well in.

5-20-98 - Rigged up swab. Fluid level 360'. No fluid entry into well. TOOH with tubing. Rigged up Downhole Video Fiber Optic wireline unit. TIH with video camera. Established 8-5/8" casing is parted at 265' (1-1/2' section missing). 13-3/8" surface pipe is corroded and washed out. Shut down operations. Decision made to plug and abandon.

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 28, 1998

TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL FILED BY ORSPR WILLIAMS

APPROVED BY DISTRICT SUPERVISOR TITLE DATE

CONDITIONS OF APPROVAL, IF ANY: