

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 86400

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 G : 1980 Feet From The North Line and 1980 Feet From The East Line Section 11 Township 16S Range 35E 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:

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 on re-entry ☒

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.

5-13-98 - Dig out cellar. Cut off 13-3/8" X 8-5/8". Removed dry hole marker. Installed 8-5/8" splice and 11" 5000K starting head.

5-14-98 - Scrape pad. Removed cement pumping unit base. Dig workover pit and set anchors.

5-15-98 - Moved in and rigged up pulling unit and re-entry equipment. Nippled up 8" BOP. NOTE: Notified Sylvia w/OCD-Hobbs of intent to spud on 5-15-98.

5-16-98 - Test BOP and flanges to 1500 psi. Picked up 7-7/8" bit, drill collars with swivel and tubing. Spudded on surface plug at 8:00 AM 5-15-98. Drilled 8' and fell out of plug. Picked up drill collars and tagged up and 260'. Getting metal cuttings back. TOOH. TIH with 7" OD magnet and set down at 260'. Fell in. Run 40' below. TOOH.

Had 3" X 3" pice of iron with threads (possibly off 8-5/8" casing pin). TIH with 7-3/4" OD impression block with drill collars and tubing. Tagged up at 260'. TOOH. Jagged marks on inside OD of block & tapered marks on OD of block. Shut down to discuss with partners on 5-18-98.

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 18, 1998

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

(This space for State Use)

ORIGINAL SIGNED BY

APPROVED BY GARY WINK TITLE FIELD REP. DATE May 1998

CONDITIONS OF APPROVAL, IF ANY: