

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.	30-025-22062
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	V-3999
7. Lease Name or Unit Agreement Name	Union AQZ State
8. Well No.	1
9. Pool name or Wildcat	Kemnitz Morrow
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	4070.3' GR

**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 14	Township 16S	Range 34E	NMPM	Lea	County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4070.3' GR					

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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: Acidize perforations <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.

8-8-97 - Rigged up treesaver. Acidized perforations 13072-13136' (Morrow) with 3000 gallons 10% iron control acid with 25% methanol with 1500 scf/bbl N2 (down 2-7/8" tubing). Bled down. Rigged down treesaver. Opened well and flowed well to pit for cleanup. Swabbed. Shut well in.

8-9-97 - Bled well down to pit. Swabbed and flowed. Shut well in.

8-10-11-97 - Bled well down. Loaded tubing with 66 bbls brine. Released packer. Reversed out tubing. Nippled up BOP. Picked up 3-1/2" joint of tubing. Released RBP at 13175'. TOOH. TIH with packer with 1.875" XL on/off tool and tubing. Set packer and tested to 1500 psi. Swabbing (zones 13072-13316'). Shut well in.

8-12-97 - Released well to production department.

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 Aug. 28, 1997

TYPE OR PRINT NAME Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY Signed by TITLE State Auditor DATE Aug 28 1997

CONDITIONS OF APPROVAL, IF ANY: