

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, 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.	30-025-22062
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

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

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: Resumed operations with rotary tools <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.

5-31-6-2-97 - Moving in rotary tools.

6-3-97 - Rigging up rotary tools.

6-4-97 - TD 9752'. Picked up drill pipe - bit at 3000'. Nippled up and tested BOP to 5000# and hydril to 2500#. Picked up drill pipe and drill collars.

6-5-97 - Drilling 10935'. Made 35' in 3-1/2 hours. Finished picking up drill pipe. Circulated at 4461'. Installed rotary head rubber. Picked up drillpipe. Circulated at 5918'. Took 10K at 5918'. Picked up drillpipe. Washed from 9679-9852'. Picked up drill pipe. Washed from 10200-10900' - soft fill. Began drilling on formation at 2:30 AM 6-5-97.

6-6-97 - TD 10963'. Made 63' in 11 hours. TOOH with magnet. Left 2-1/2 cones in hole. TIH with magnet. Worked magnet on bottom. Chained out of hole.

6-7-97 - TD 10963'. TOOH with magnet. No recovery. TIH with magnet. Washed to bottom. Worked magnet. TOOH with magnet - recovered 1 cone. Changed skirt on magnet. TIH. Worked magnet on bottom. TOOH with magnet.

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE June 14, 1997  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-147

(This space for State Use)  
ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: