

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--31636
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-131
7. Lease Name (or Unit Agreement Name) Kemnitz South AFL State
8. Well No. 1
9. Pool name or Wildcat Vacuum-Grayburg-SA

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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator YATES PETROLEUM CORPORATION	3. Address of Operator 105 South 4th St., Artesia, NM 88210	4. Well Location Unit Letter <u>0</u> : <u>660</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>31</u> Township <u>16S</u> Range <u>34E</u> NMPM Lea County
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10. Elevation (Show whether DF, RKB, RT, GR, etc.)

4124.5' 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"/>	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 checked="" type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input checked="" 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.
Spudded starter hole 2:00 PM 7-27-92. Resumed drilling 12½" hole 4:00 PM 7-28-92. Ran 36 joints 8-5/8" 24# J-55 casing set at 1550'. Guide shoe set 1550'. Float collar set 1506'. Cemented w/550 sx Lite w/1/4#/sx Celloseal (yield 1.98, wt 12.4). Tail in w/200 sx Class "C" w/2% CaCl2 (yield 1.33, wt 14.6). PD 2:00 PM 7-29-92. Bumped plug to 1000 psi float, held OK. Circulated 128 sacks cement. WOC. Drilled out 8:00 AM 7-30-92. WOC 30 hours. Reduced hole to 7-7/8" and resumed drilling. NOTE: Notified NMOCD, Hobbs, NM, to witness - did not witness.

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

SIGNATURE Juanita Goodlett TITLE Production Supervisor DATE 8-11-92
TYPE OR PRINT NAME Juanita Goodlett TELEPHONE NO. 505/748-1471

(This space for State Use)
ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

AUG 17 '92