

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.	30-025-33781
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	VA-0504
7. Lease Name or Unit Agreement Name	
Nichols AQO State	
8. Well No.	1
9. Pool name or Wildcat	Maljamar Grayburg San Andres

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>M</u> : <u>330</u> Feet From The <u>South</u> Line and <u>370</u> Feet From The <u>West</u> Line Section <u>5</u> Township <u>17S</u> Range <u>33E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4219' 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 type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Perforate & acidize <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.

2-18-97 - Cleaned location, set and tested anchors. Moved in and rigged up pulling unit. Installed BOP and tested casing to 1800 psi. TIH with bit, scraper and 2-7/8" tubing to 5191'. Displaced casing with 2% KCL water. TOOH with tubing, scraper and bit. Rigged up wireline. TIH with logging tools and ran CBL/CCL/GR log. TOOH with logging tools. Rigged down wireline.

2-19-97 - Rigged up wireline. TIH with casing guns and perforated 5000-5046' w/10 .41" holes as follows: 5000, 02, 10, 12, 20, 38, 40, 42, 44, & 5046' (1 SPF - San Andres). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Spotted 2 bbls 15% iron control HCL acid at 5049'. Pulled up and set packer at 4983'. Acidized perforations 5000-5046' with 250 gallons 15% iron control HCL acid and ball sealers. Bled well down and began swabbing.

2-20-97 - Swabbed. Unset packer. TOOH with tubing and packer. Rigged up wireline. TIH with 4" casing guns and perforated 4822-4840' w/7 .41" holes as follows: 4822, 24, 26, 28, 36, 38 & 4840' (1 SPF - San Andres). TOOH with casing guns and rigged down

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 March 5, 1997  
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

APPROVED BY ORIGINATOR TITLE DATE MAR 11 1997  
CONDITIONS OF APPROVAL, IF ANY:

YATES PETROLEUM CORPORATION  
Nichols AQO State #1  
Section 5-T17S-R33E  
Lea County, New Mexico

SUNDRY NOTICE CONTINUED:

wireline. TIH with RBP, packer and tubing. Set RBP at 4889' and tested to 1000 psi. Spotted 2 bbls 15% iron control HCL acid at 4849'. Pulled up and set packer at 4760'. Acidized perforations 4822-4840' with 650 gallons 15% iron control HCL acid and ball sealers. Bled well down and began swabbing.

2-21-97 - Loaded tubing with 2% KCL water. Unset packer. TOOH with tubing and packer. Rigged up wireline. TIH with 4" casing guns and perforated 4488-4714' w/15 .41" holes as follows: 4488, 90, 92, 4594, 96, 98, 4630, 32, 34, 56, 58, 60, 62, 4712 & 4714' (1 SPF - San Andres). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Unset RBP. Pulled up and reset RBP at 4760' and tested to 1100 psi. Spot 3 bbls 15% iron control HCL acid at 4727'. Pulled up and set packer at 4438'. Acidized perforations 4488-4714' with 2000 gallons 15% iron control HCL acid and ball sealers. Bled well down and began swabbing.

2-22-97 - Swabbed. Shut well in.

2-23-24-97 - Swabbed. Shut well in.

2-25-97 - Unset packer. Dropped down and unset RBP. Pulled up and reset RBP at 4612'. Pulled up and reset packer at 4565'. Swabbed. Shut well in.

2-26-97 - Unset packer. Dropped down and unset RBP. Pulled up and reset RBP at 4565' and tested to 800 psi. Pulled up and set packer at 4438'. Swabbed perforations 4594-4598'. Moved tools and straddled perforations 4488-4492'. Swabbed. Shut well in.

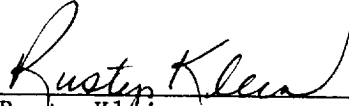
2-27-97 - Acidized perforations 4488-4492' with 500 gallons 7-1/2% iron control HCL acid. Swabbed. Shut well in.

2-28-97 - Swabbed. Unset packer. Dropped down and unset RBP. Reset RBP at 4760' and tested to 900 psi. Pulled up and set packer at 4603'. Swabbed. Shut well in.

3-1-97 - Swabbed. Shut well in.

3-2-3-97 - Swabbed. Shut well in.

3-4-97 - Swabbed. Unset packer. TOOH with tubing and packer. TIH with production tubing. Seating nipple set at 4703' and tubing anchor at 4393'. Removed BOP and nipped up wellhead. Released well to production department.

  
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Rusty Klein  
Operations Technician  
March 5, 1997