

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.
30-025-33792

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
VA-604

7. Lease Name or Unit Agreement Name
Field APK State Com

8. Well No.
2

9. Pool name or Wildcat
Lovington Strawn, West

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 GAS WELL OTHER

2. Name of Operator
YATES PETROLEUM CORPORATION

3. Address of Operator
105 South 4th St., Artesia, NM 88210

4. Well Location
Unit Letter Lot 8 : 2390 Feet From The North Line and 640 Feet From The East Line

Section 2 Township 16S Range 35E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3984' 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: <u>Production casing & cement</u> <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.
TD 11800'. Reached TD at 9:45 AM 8-22-97. Ran 286 joints of 5-1/2" 17# casing as follows: 31 joints of 5-1/2" 17# S-95 (1278.05'); 70 joints of 5-1/2" 17# N-80 (2887.93'); 113 joints of 5-1/2" 17# J-55 (4656.18') and 72 joints of 5-1/2" 17# L-80 (2984.37') (Total 11806.53') of casing set at 11800'. Float shoe set at 11800'. Float collar set at 11758'. Bottom marker joint set at 11048'. Top marker joint set at 9937'. Pumped 150 bbls mud with 150 scf of N2, 12 bbls mud flush and 12 bbls super flush ahead of 850 sacks Class H Halliburton Lite, 1/4#/sack flocele and 2/10% HR7 (yield 1.98, weight 12.4). Tailed in with 600 sacks Super H, 5/10% Halad 344, 4/10% CM3, 1# salt and 1/10% HR7 (yield 1.68, weight 13.0). PD 8:00 AM 8-24-97. Bumped plug to 3000# for 1 minute, OK. WOC. Released rig at 12:00 PM 8-24-97. NOTE: Displaced casing with KCL.

Waiting on completion unit.

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. 27, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)
ORIGINAL SIGNED BY CHRIS WILLIAMS
APPROVED BY DISTRICT I SUPERVISOR TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

SEP 24 1997