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State of New Mexico

Energy, Minerals and Natural Resources Department Form C-143 District Office Revised 1-1-89 OIL CONSERVATION DIVISION P.O. Box 1980, Hobba, NM 88240 WELL API NO. P.O. Box 2088 DISTRICT II Santa Fe, New Mexico 87504-2088 30-025-34252 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE X FEE [_] 6. State Oil & Gas Lease No. VA-604 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" 7. Lease Name or Unit Agreement Name (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: MET [MET X OTHER Field APK State Com 2. Name of Operator YATES PETROLEUM CORPORATION 8. Wall No. 3. Address of Operator 105 South 4th St., Artesia, NM 9. Pool same or Wildcat Wildcat Morrow 4. Well Location 1880 Feet From The Unit Letter South 1650 Line and West Peet From The Line thip 16S Range 35E

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 16S Towaship Lea County 3995' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON **CHANGE PLANS** COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OTHER: Produce top set of perfs only X OTHER: 12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed At the present time, this well has an extremely high bottom hole pressure. Yates Petroleum Corporation respectfully requests permission to produce only the top set of perforations -12301-12316' (Morrow) until the pressure goes down. At that time, we will go back in and pull the RBP at 12365' and produce both zones together (12301-12316' and 12425-12448') (Morrow). NOTE: When work is done, a sundry notice will be sent in. I hereby certify that it Operations Technician March 26, 1999 SIGNATURE -Rusty Klein TYPE OR FRENT NAME TELEPHONE NO. 505/748-1471

18 13th

GAP YOUR

CONDITIONS OF APPROVAL, IF ANY:

(This space for State Use)

APPROVED BY-