State of New Mexico Submit : Copies Form C-103 to Appropriate District Office Energy, Minerals and Natural Resources Department Revised 1-1-89 DISTRICT OIL CONSERVATION DIVISION P.O. Box 1980, Hobbs, NM 88240 WELL API NO. P.O. Box 2088 30-025-34252 Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lesse STATE FEE DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 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 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: WELL X WELL Field APK State Com 2 Name of Operator 8. Well No. YATES PETROLEUM CORPORATION 3. Address of Operator 9. Pool name or Wildcat 105 South 4th St., Artesia, NM Wildcat Morrow 4. Well Location 1880 Feet From The South 1650 Line and Feet From The Line Township 16S 35E Range Lea 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3995' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 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: Frac existing perforations OTHER: 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. 3-10-99 - Frac'd perforations 12301-21316; (Morrow) (via 2-7/8" tubing) with 42000 gallons 700 CO2 foam and 50000# 20-40 interprop. Pressured out with 30000# prop in formation. Shut down and shut well in. Nippled up flow back manifold. Flowed back to pit for cleanup. Shut well in. 3-12-99 - Moved in and rigged up pulling unit. Installed 2-9/16" 5K gate valves on tubinghead. Shut down. Prep to start snubbing on approx. 3-15-99. 3-16-99 - Rigged up slickline. TIH with 1.875" R2B pump thru plug. Could not get thru top 1.875" F (no bypass on plug). Pumped down tubing. Got plug thru nipple, on/off tool. Holding 900 psi on tubing. 45 bbls water pumped. Seated plug in 1.875" "R" nipple, tubing on vacuum. Made decision to pull R2B plug and set positive pressure blanking plug. equalizing and pulling tool. Could not latch onto plug. TOOH. TIH with equalizing probe only - no marks on probe. Pressured tubing to 1500 psi. Could not pump thru plug. Flowed well) for 35 minut. . TIH with equalizing probe. Had mark on tool. TOOH. TIH I hereby certify that the information shows in true, and complete to the best of my knowledge and belief. CONTINUED ON NEXT PAGE: mma Operations Technician DATE March 23, 1999 Rusty Klein TELEPHONE NO. 505/748-1471 TYPE OR FRINT NAME

(This space for State UpplicINAL SIGNED BY CHRIS WILLIAM:

DISTRICT I SUPERVISOR

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MARK S 1949

DATE

CONDITIONS OF AFFROVAL, IF ANY: