

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. 30-025-34498
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-4415
7. Lease Name or Unit Agreement Name Ruby ASV State Com
8. Well No. 1
9. Pool name or Wildcat Undesignated Wolfcamp

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 type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	
2. Name of Operator YATES PETROLEUM CORPORATION	
3. Address of Operator 105 South 4th St., Artesia, NM 88210	
4. Well Location Unit Letter <u>H</u> : <u>1650</u> Feet From The <u>North</u> Line and <u>700</u> Feet From The <u>East</u> Line Section <u>15</u> Township <u>16S</u> Range <u>32E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc) 4304' 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: Add perfs in Wolfcamp <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input 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.

Propose to add perforations in Wolfcamp as follows:

1. TOOH with rods and pump. Nipple up BOP. TOOH with tubing.
2. Perforate 11272-11280' (Wolfcamp).
3. Set RBP at 11310' to temporarily abandon perforations 11340-11540' (Strawn).
4. Acidize and frac perforations 11272-11280' (Wolfcamp) as necessary for production. Swab test.
5. If perforations 11272-11280' is uncommercial, will abandon the most economical way to abandon.
6. Perforate 10249-10276' (Wolfcamp), acidize and frac as necessary for production. Swab test.
7. If perforations 10249-10276' (Wolfcamp) proves to be uncommercial, will abandon perforations the most economical way.
8. Perforate 10181-10220' (Wolfcamp), acidize as necessary for production. Swab test.

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 May 18, 1999
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-147

(This space for State Use)

ORIGINAL SIGNED BY
GARY WINK
FIELD REP. II

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