

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

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. 30-025-34688
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-478
7. Lease Name or Unit Agreement Name Gallagher ATJ State Com
8. Well No. 1
9. Pool name or Wildcat Eidson Mississippian
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3991' GR

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 G : 2300 Feet From The North Line and 2300 Feet From The East Line Section 2 Township 16S Range 35E NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3991' 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: Spud, conductor, resume drilling, surface casing & cement <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.

Spudded a 20" hole with rat hole machine at 1:00 PM 9-26-99. Set 40' of 16" conductor pipe. Cemented to surface. NOTE: Notified OCD-Hobbs of spud. Resumed drilling a 14-3/4" hole with rotary tools at 10:45 AM 9-27-99.

TD 425'. Reached TD at 8:00 PM 9-28-99. Ran 10 joints of 11-3/4" 42# H-40 (429.08') of casing set at 425'. 1-Texas Pattern notched guide shoe set at 425'. Insert float set at 382'. Cemented with 150 sacks Class C Poz (65-35), 5#/sack gilsonite and 6% bentonite (yield 1.95, weight 12.5). Tailed in with 200 sacks Class C with 2% CaCl2 (yield 1.34, weight 14.8). PD 1:05 PM 9-28-99. Bumped plug to 640 psi, OK. Circulated 130 sacks cement. WOC. Cut off and welded on flow nipple. Drilled out at 9:00 AM 9-29-99. WOC 19 hours and 55 minutes. Reduced hole to 11". Resumed drilling.

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 Oct. 7, 1999

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

(This space for State Use) ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE OCT 18 1999

CONDITIONS OF APPROVAL, IF ANY: