

State of New Mexico
Energy, Minerals and Natural Resources Department

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. 30-025-35449	
5. Indicate Type of Lease State <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
7. Lease Name or Unit Agreement Name VA-978 Breeze AYF State Com	
8. Well No. 1	
9. Pool Name or Wildcat Wildcat Morrow	

(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 <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	
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2. Name of Operator Yates Petroleum Corporation	
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3. Address of Operator 105 South 4th., Artesia, NM 88210	
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4. Well Location Unit Letter I : 1980 Feet From The South Line and 990 Feet From The East Line Section 4 Township T15S Range R35E NMPM Lea COUNTY	
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10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4006' GR	
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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>spud, conductor, surface csg & cement</u> <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.

9-29-01 - Spudded @12:30 pm. Set 20" conductor @ 40'. Stand by. Notified Sylvia w/ NMOCD - Hobbs via voice mail @ 2:00 pm 9-29-01.

10-04-01 - TD 40'. RURT. Notified Sylvia w/ Hobbs NMOCD via voice mail of operations. Resumed drilling at 9:45 am 10-4-01. TD 17-1/2" hole @ 5:15 pm 10-4-01. Rigged up casers & ran 9 jts 13-3/8" 48# H-40 8R ST&C (404.94') casing, set @ 400'. Texas Pattern guide shoe set @ 400'. Insert float set @ 354.99'. Cemented w/ 270 sx Halliburton Lite w/ 1/4# flocele + 2% CaCl2 (yld 1.56, wt 12.50). Tailed in w/ 200 sx premium Plus with 2% CaCl2 (yld 1.34, wt 14.8). PD @ 10:45 pm 10-4-01. Bumped plug to 550 psi, held OK. Circulated 170 sx. WOC.

10-6-01 - Drilled out @ 1:00 am 10-6-01. WOC 26 hrs 15 min. Reduced hole to 12-1/4" & resumed drilling.

SIGNATURE <u>Donna Clark</u>	TITLE <u>Operations Technician</u>	DATE <u>1/10/02</u>
TYPE OR PRINT NAME <u>Donna Clark</u>	TELEPHONE NO <u>505-748-1471</u>	
(This space for State Use)		
APPROVED BY	TITLE	DATE

JAN 25 2002