N. M. OIL CONS. COMMISTY Form 3/80-5 (June 1990) P. O. BOX 1980 HGBBS, NEW MEXICO 88240 FORM APPROVED **UNITED STATES** Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM 59392 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT—" for such proposals Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well Perforate Morrow (existing zone); test Strawn 8. Well Name and No. Oil Well X Gas Well Other if Morrow is non-commercial Lusk AHB Federal #1 2. Name of Operator 9. API Well No. (505) 748-1471)YATES PETROLEUM CORPORATION 30-025-30808 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 105 South 4th St., Artesia, NM 88210 East Lusk Morrow Gas 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Unit B, 800' FNL & 1650' FEL, Sec. 35-T19S-R32E Lea County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF ACTION TYPE OF SUBMISSION X Notice of Intent Change of Plans Abandonment New Construction Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Altering Casing Perforate Morrow, Conversion to Injection Final Abandonment Notice Other test Strawn if Morrow Dispose Water (Note: Report results of multiple completion on Well is non-commercial. Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Well completed in Morrow perforations 13616-13624'. Propose to abandon present perfs by setting RBP at 13500', test casing and RBP to 2000 psi. Perforate the Morrow at 13333-13389' w/16 shots 180 deg. phasing. Swab test. Acidize Morrow with 2500 gals 7½% Morflo acid. Test Morrow. If Morrow is water productive or dry, set CIBP + 35' Class H cement at 13300'. If Morrow is productive, produce Morrow to depletion before moving uphole to test the Strawn. If Morrow is non-productive, will perforate the Strawn 12347-12351' w/10 shots, 180 deg phasing. Acidize Strawn with 2000 gals 15% NeFe HCL acid. Swab/flow test Strawn. File recompletion report is well is recompleted in Strawn. certify that the foregoing is true and correct Title Production Supervisor Date (This space for Federal or State office use) APR 27 1993 PETROLEUM ENGINEER (ORIG. SGD.) DAVID R. GLASS Conditions of approval, if any: