

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. 30-025-27943
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG 740-3
7. Lease Name or Unit Agreement Name Vacuum State
8. Well No. 1
9. Pool name or Wildcat Scharb Bone Spring
10. Elevation (Show whether DF, RKB, RT, GR, etc.)

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 checked="" type="checkbox"/> GAS WELL <input 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 J : 1980 Feet From The South Line and 1980 Feet From The East Line Section 4 Township 19S Range 35E NMPM Lea County
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <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 plug and abandon well as follows:

1. Set CIBP at 9450'. Cap with 35' of cement.
2. GIH w/tubing and load casing with salt gel mud.
3. Spot 35 sack plug from 5400' to cover San Andres top at 5346'.
4. Perforate 5-1/2" casing at 3998' with 4 holes. Set retainer at 3950'. Pump 50 sacks out perforations at 3998' to cover 8-5/8" shoe at 3998'.
5. Perforate 4 holes at 503' (13-3/8" casing shoe at 503').
6. Pump down 5-1/2" casing and jet returns up 5-1/2" X 8-5/8" annulus.
7. Pump 50 sacks cement out perforations at 503' into 5-1/2" X 8-5/8" annulus. Leave 100' of cement inside 5-1/2" casing.
8. Set 25 sack plug at surface. Install regulation abandonment marker.

NOTE: NOTIFY NMOCD (393-6161) 24 HOURS PRIOR TO COMMENCING OPERATIONS.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Rusty Klein TITLE Production Clerk DATE June 18, 1993
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

JUN 22 1993