

District I - (505) 393-6161  
P.O. Box 1980  
Hobbs, NM 88201-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-139  
Originated 11/1/95

Submit Original  
Plus 2 Copies  
to appropriate  
District Office

4-0308

APPLICATION FOR  
QUALIFICATION OF PRODUCTION RESTORATION PROJECT  
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: Yates Energy Corporation OGRID #: 025542  
Address: P.O. Box 2323, Roswell, NM 88202-2323  
Contact Party: B.O. Greenwade Phone: (505)623-4935
- II. Name of Well: Reddy-Gulf St. #2 API #: 30-025-29041  
Location of Well:  
Unit Letter C, 660 Feet from the N line and 1980 feet from the W line, Section 18,  
Township 19 S, Range 35 E, NMPM, Lea County
- III. Previous Producing Pool Name: Quail Queen
- IV. Describe the process used to return the Well to production. (Attach additional information if necessary):  
See attachment
- V. Date the Production Restoration Project was commenced: 3-27-97  
Date the Well was returned to production: 4-14-97
- VI. Identify the Oil Conservation Division records which show the Well had thirty (30) days or less production between January 1, 1993 and December 31, 1994:  
[ ] Ongard inactive well list; or [X] OCD Form C-115 (Operator's Monthly Report)

VII. AFFIDAVIT:

State of New Mexico )  
 ) ss.  
County of Chaves )

B.O. Greenwade being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have personal knowledge of the facts contained in this Application for Qualification of a Production Restoration Project.
3. The data utilized to prepare this application is complete and correct.

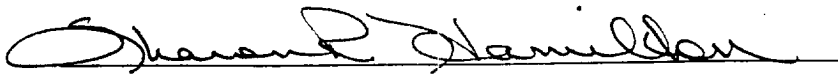
(Name)

Agent

(Title)

JUN 11 1997

SUBSCRIBED AND SWORN TO before me this 27 day of May, 1997

  
Notary Public

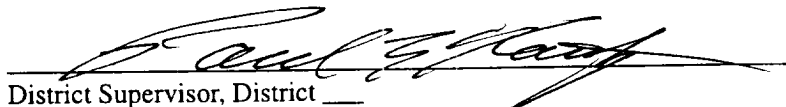
My Commission expires: January 30, 2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of a Production Restoration Project is hereby approved and the above referenced Well is designated as a Production Restoration Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that production was restored in this Production Restoration Project on:

4-14-97, 1997.

  
District Supervisor, District \_\_\_\_\_  
Oil Conservation Division

Date: 6/11/97

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.  
DATE: \_\_\_\_\_

5/29/97

Submit 3 Copies  
to Appropriate  
District Office

Santa Fe		
File		
RLM		
Land Office		
B of M		
Operator		

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  
000Q Rio Brazos Rd., Aztec, NM 87410

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-29041
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG - 2417
7. Lease Name or Unit Agreement Name Reddy-Gulf State
8. Well No. #2
9. Pool name or Wildcat Quail Queen

**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.)

Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
Name of Operator Yates Energy Corporation	
Address of Operator P.O. Box 2323 Roswell, NM 88202-2323	
Well Location Unit Letter C : 660 Feet From The North Line and 1980 Feet From The West Line Section 18 Township 19-S Range 35-E NMMP Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3902' KB	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b>	<b>SUBSEQUENT REPORT OF:</b>
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: Recompletion <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.

3/29/97  
PBTD at 6222', 73' of sand fill. Set CIBP at 5600' w/35' cmt. on top. Circulated hole w/120 bbls. 2% KCL wtr. Perforated Penrose sand at 4980', 5007', 5024', 5050' and 5152', 1SPF. Acidized Penrose sand perforations 4980' to 5152' w/2500 gals. 15% NEFE and 10 ball sealers. Swabbing. Fraced Penrose sand perforations 4980' to 5152' w/17,000 gals. Viking 30 w/52,000# 16/30# Ottawa sand. Swabbing.

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

SIGNATURE Sharon R. Hamilton TITLE Landman DATE 5/14/97  
(505)  
TYPE OR PRINT NAME Sharon R. Hamilton TELEPHONE NO. 623-4935

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_