Submit 3 Copies to Appropriate

State Of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-93

NNV 13 1996

District Office OIL CONSERVATION DIVISION DISTRICT I 310 Old Santa Fe Trail, Room 206 P.O. Box 1980, Hobbs, NM 88241 Santa Fe, New Mexico 87503 WELL API NO. 30-25-29277 DISTRICT II P.O. Drawer DD, Artesia, Nm 88210 5. Indicate Type of Lease STATE FEE DISTRICT III 6. State Oil & Gas Lease No 1000 Rio Brazos Rd., Aztec, NM 87410 018405 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO # 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) SAN SIMON STATE Type of Well: Οίl Gas Well XXX Other Name of Operator 8. Well No. Kelton Operating Corporation 1 Address of Operator 9. Pool Name or Wildcat Post Office Box 276, andrews, Texas 79714-0276 San Simon Yates Well Location Feet From The NORTH Line and 330 Unit Letter Feet From The WEST Township 22S Range 35E 10. Elevation (Shown whether DF, RKB, RT, GR, etc.) Section **NMPM** LEA County 3622' GL Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data 11. NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK **ALTERING CASING** TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT PULL OR ALTER CASING CASING TEST AND CEMENT JOBS OTHER: OTHER: 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 1. Re-perforate Yates formation -3850' - 4024' 39 holes. 2. Acidize perforations with 4200 gallons 7.5% acid. 3. Swab to clean up acid residue. ;4. Return to production. Estmated starting time of work over - November 19, 1996 600-900 Series Double Ram BOP. I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE President DATE November 7, 1996 TYPE OR PRINT NAME C. Dale Kelton 915-524-6400 TELEPHONE NO.

TITLE

APPROVED BY CONDITIONS OF APPROVAL IF ANY:

(This space for State Use)