

Submit 3 Copies
to Appropriate
District Office

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
1000 Rio Brazos Rd., Aztec, NM 87410

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

| | |
|--------------------------------------|--|
| WELL API NO. | 30-025-26766 |
| 5. Indicate Type of Lease | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | V-3959 |
| 7. Lease Name or Unit Agreement Name | |
| Quay AQU State | |
| 8. Well No. | 1 |
| 9. Pool name or Wildcat | |
| Und. North Bell Lake Wolfcamp | |

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 <input type="checkbox"/> | 2. Name of Operator YATES PETROLEUM CORPORATION |
| 3. Address of Operator 105 South 4th St., Artesia, NM 88210 | 4. Well Location Unit Letter C : 660 Feet From The North Line and 1980 Feet From The West Line Section 10 Township 23S Range 33E NMPM Lea County |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3590.6' GR | |

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: Finish re-entry; begin completions <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.

3-18-97 - Continued drilling on CIBP at 12998'. Plug came loose. Drilled and worked to 13180'. Circulated bottoms up. Rigged down swivel. Pushed CIBP to 13466'. Circulate gas via tubing. Waiting on packer.

3-19-97 - Circulated. Shut down due to wind until 2:00 PM. TOOH and laid down drill collars and bit. TIH with assembly as follows: muleshoe collar, 2-3/8" seating nipple, 24 joints of 2-3/8" N-80 tubing, 2-7/8" X 2-3/8" crossover, 8K Uni VI packer with 2.25" F nipple and on/off tool, 2-7/8" CS hydril X 2-7/8" 8rd crossover and 373 joints of 2-7/8" CS hydril tubing. Bottom of 2-3/8" tubing at 12685'. Bottom of packer at 11928'. Profile nipple at 11919'. Rigged up wireline. Set blanking plug in F nipple.

3-20-97 - Got off on/off tool. Pumped 30 bbls brine water down tubing. POOH and laid down 2-7/8" CS hydril string. Baker F profile gudgeon was still in on/off tool. Wireline set blanking plug was not in profile. TIH with 377 joints and 14' of subs 2-7/8" L-80 6.5# tubing with on/off tool and gudgeon. Screwed int. packer. Rigged up wire-

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

CONTINUED ON NEXT PAGE:

SIGNATURE Rusty Klein TITLE Operations Technician DATE March 25, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-14

(This space for State Use) ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

MAR 28 1997

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: