

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"/>	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: Continue re-entry <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.

2-14-97 - Ran tubing from 9954-11154' (tag). Circulated bottoms up. Rigged up swivel and drilled rubber, cast iron and small amount of cement to 11159'. Fell out at 11159'. Picked up 1 more joint and ran to 11174'. Lost 10 points weight. Ran tubing to 11194' and tagged fish. POOH with 344 joints of 2-7/8" tubing. Tubing broke off 1/4" inside bottom of tubing coupling. Left 5 joints tubing, 1 crossover, 10 4-3/4" drill collars and bit. NOTE: Have 2-7/8" upset looking for top of fish. Top of fish at approx. 10757'.

2-15-97 - TIH with 5-1/2" OD skirted overshot to catch 2-7/8" tubing upset on 342 joints of 2-7/8" tubing. Catch fish. POOH with 170 stands of tubing. Laid down 41 joints tubing. Waited on orders. Continued POOH with 20 stands. Laid down fish and break out overshot. Laid down 4" drill collars. POOH. TIH with new 6-1/2" bit, drill collars, crossover and 20 stands tubing. End of tubing at 1429'.

2-16-97 - Picked up 41 joints of tubing. TIH with rest of tubing. Rigged up swivel and drilled cast iron, rubber and small amount of cement from 11159-11161'. Lost

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 6, 1997
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-14

(This space for State Use)

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

ORIGINAL REPORT ON FILE IN SECTION

MAR 11 1997