State of New Mexico

Form C-163 Submit 3 Copies Lagy, Minerals and Natural Resources Departmen to Appropriate District Office Revised 1-1-89 OIL CONSERVATION DIVISION DISTRICT WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-025-33574 Santa Fe. New Mexico 87504-2088 DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 STATEX FEE DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. V-4297 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: WELL X OTHER Coriander AOC State 2. Name of Operator 8. Well No. YATES PETROLEUM CORPORATION 3. Address of Operator 9. Pool name or Wildcat 105 South 4th St., Artesia, NM 88210 Red Tank Bone Springs 4. Well Location 1650 Feet From The North 330 Line and East Feet From The hip 23S Range 32E 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 23S 32E Township **NMPM** Lea 3731' GR 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** PLUG AND ABANDONMENT **TEMPORARILY ABANDON CHANGE PLANS** COMMENCE DRILLING OPNS. CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** OTHER: Intermediate casing & cement X 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. TD 4790'. Reached TD at 7:30 PM 10-7-96, Ran 117 joints of 8-5/8" 32# 8rd ST&C (4800.78') of casing set at 4790'. Float shoe set at 4790'. Float collar set at 4747'. Cemented with 1000 sacks "C" (65-35-6), 5#/sack salt and 1/4#/sack celloflake (yield 1.98, weight 12.7). Tailed in with 250 sacks "C" with 1% CaCl2 (yield 1.32, weight 14.8). PD 8:45 AM 10-8-96. Bumped plug to 1700 psi, OK. Circulated 220 sacks. WOC. Nippled up and tested to 1200 psi for 30 minutes, OK. Drilled out at 10:30 PM 10-8-96. WOC 13 hours and 45 minutes. Reduced hole to 7-7/8". Resumed drilling. Operations Technician DATE Oct. 11, 1996 SIGNATURE

(This space for State Use)

APPROVED BY.

ORIGINAL SIGNED BY GARY WINK

Rusty Klein

FIELD REP. II

TELEPHONE NO. 505/748-1