

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM81952

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
LLAMA ALL FED 1

2. Name of Operator
YATES PETROLEUM CORPORATION

Contact: TINA HUERTA
E-Mail: tinah@ypcnm.com

9. API Well No.
30-015-28093-00-S1

3a. Address
105 S 4TH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)
Ph: 505-748-4168
Fx: 505.748.4585

10. Field and Pool, or Exploratory
UNDESIGNATED

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 7 T22S R31E SWSW 330FSL 950FWL

11. County or Parish, and State
EDDY COUNTY, NM

RECEIVED
MAY 18 2004
OCD-ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Convert to Injection

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation plans to recompleate this well as follows: Set an RBP at 7800'. Pressure up the 7" casing to 1500 psi and pull a GR/CBL/CCL log from 7800' to 500' past the top of cement. TIH open ended and pickle the tubing with 600g 15% NEFE acid and load the hole with treated water. Perforate Delaware 7536'-7546'(11), 7580'-7602'(23), 7708'-7726'(19) for a total of 53 holes. Straddle 7708'-7726' and stimulate. Straddle 7580'-7602' and stimulate. Straddle 7536'-7546' and stimulate. Swab test and evaluate these zones. If test results from all three zones is favorable POOH with tubing, packer and RBP. However if the lower interval 7708'-7726' was wet, set the RBP at 7650' and POOH with tubing and packer and fracture. Shut well in for 4 hrs to allow the gel to break and the resin to cure. Flow the well back if it will. If it will not flow, TIH with tubing and seating nipple to circulate fill out of casing with 3% KCL water. Perforate Delaware 5348'-5354'(7), 5572'-5582'(11), 6814'-6820'(7) and 7430'-7448'(19) for a total of 44 holes. Straddle 7430'-7448' and stimulate. Straddle 6814'-6820' and stimulate. Straddle

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #30588 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by LINDA ASKWIG on 05/17/2004 (04LA0418SE)**

Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 05/12/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By LES BABYAK	Title PETROLEUM ENGINEER	Date 05/17/2004
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional data for EC transaction #30588 that would not fit on the form

32. Additional remarks, continued

5572'-5582' and stimulate. Straddle 5348'-5354' and stimulate. Turn well to production.