

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0135  
Expires March 31, 2007

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

RECEIVED

JAN 18 2006

2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1838'FNL & 1072'FWL of Section 19-T22S-R25E (Unit E, SWNW)  
990'FNL & 660'FWL of Section 19-T22S-R25E (Unit D, NWNW)

5. Lease Serial No.

NM-103594

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Koonunga Hill BGX Federal #1

9. API Well No.

30-015-34380

10. Field and Pool, or Exploratory Area

Undes. McIver Ranch Morrow

11. County or Parish, State

Eddy County, New Mexico

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

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

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 recompleat 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 recompleat 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.)

12/14/05 Resumed drilling at 12:00 PM.

12/20/05 Set 13-3/8" 48# H-40 casing at 1507'. Cemented with 180 sx Thixotropic and 1000 sx BJ Lite. Tailed in with 200 sx "C" + 2% CaCl<sub>2</sub>. Cement did not circulate. Ran temperature survey - TOC 1300'. Ran 1" cement to surface with 880 sx Class "C" with 2% CaCl. Tested casing to 1000 psi for 30 min. WOC 69 hrs 15 min. Reduced hole to 12-1/4" and resumed drilling.

12/27/05 Set 9-5/8" 36# J-55 ST&C casing at 2724'. Cemented with 180 sx Class "H" + 10% A-10 + 1% CaCl<sub>2</sub> + .25#/sx Cellophane flake + 10#/sx LCM-1 (yld 1.50, wt 14.6) and 540 sx 35:65:6 Poz "C" + 1% CaCl<sub>2</sub> + .25#/sx Cellophane flakes + 5#/sx LCM-1 (yld 1.96, wt 12.5). Tailed in with 200 sx "C" + 2% CaCl<sub>2</sub> (yld 1.34, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 27 hrs 30 min. Reduced hole and resumed drilling.

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

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

*Tina Huerta*

Date

January 3, 2005

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

JAN 13 2006  
Date

ALEXIS C. SWOBODA  
PETROLEUM ENGINEER

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