

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.

RECEIVED

DEC - 9 2003

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SUBMIT IN TRIPLICATE - Other Instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM106718
2. Name of Operator HARVEY E YATES COMPANY		6. If Indian, Allottee or Tribe Name
Contact: JEN ATKINSON E-Mail: jatkinson@heyco.org		7. If Unit or CA/Agreement, Name and/or No.
3a. Address P. O. BOX 1933 ROSWELL, NM 88202	3b. Phone No. (include area code) Ph: 505.623.6601 Ext: 1219 Fx: 505.624.5321	8. Well Name and No. CHOLLA 1 FED 4
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T18S R31E SENE 2260FNL 400FEL		9. API Well No. 30-015-32834-00-X1
		10. Field and Pool, or Exploratory CEDAR LAKE
		11. County or Parish, and State EDDY COUNTY, NM

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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.)

Please see attached.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #25729 verified by the BLM Well Information System For HARVEY E YATES COMPANY, sent to the Carlsbad Committed to AFMSS for processing by ARMANDO LOPEZ on 12/04/2003 (04AL0125SE)	
Name (Printed/Typed) JEN ATKINSON	Title AUTHORIZED SIGNATURE
Signature (Electronic Submission)	Date 12/04/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	LES BABYAK Title PETROLEUM ENGINEER	Date 12/05/2003
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.

CHOLLA 1 FEDERAL #4

SURFACE LOCATION: 2260' FNL & 400' FEL

BOTTOM HOLE LOCATION: 2123' FNL & 1023' FEL

SEC 1, T18S, R31E, EDDY COUNTY

TAMANO BONE SPRING

COMPLETION PROCEDURES:

10/14/03 TALLEY & GIH W/4 3/4" BIT, BIT SUB, DC'S, TBG. TAG CMT @ 9308'.

10/15/03 DRILL OUT CEMENT TO DV TOOL @ 9345'. CONT IN HOLE TO 12,767' (PBTD). TEST DV TOOL TO 1000# - HELD FOR 10 MINUTES. POOH.

10/16/03 GIH W/SCRAPER TO 12,767'. TEST DV TOOL TO 1000# AND HELD FOR 5 MINUTES. ROLL HOLE CLEAN. RU BAKER ATLAS & RUN CBL/CCL/GR. PBTD 12,767'. LOG WELL TO 2600'.

10/17/03 PERF MORROW FROM 12,665' TO 12,677' W/4 SPF.

10/22/03 SET CIBP @ 12,620' WITH 35' CMT ON TOP OF CIBP. PERF 11,425'-11,490' & 11,535'-11,560' W/2 SPF & ACIDIZE. SWAB TEST WELL.

11/04/03 SET CIBP @ 11,360' W/35' CMT ON TOP OF CIBP. PERF FROM 9,640'-9,655' W/3 SPF & ACIDIZE. SWAB TEST WELL.

11/11/03 SET CIBP @ 9,600' W/35' CMT ON TOP OF CIBP. PERF FROM 8,802'-8,836' W/2 SPF. ACIDIZE WELL. SWAB TEST WELL.

11/14/03 SET RBP @ 8,750'. RU HUGHES & TEST RBP TO 2000# - HELD.

11/15/03 PERF 8,646', 48', 50', 52' & 55' W/4 SPF (20 HOLES).

11/18/03 ACIDIZE WITH 3000 GALS 15% NEFE.

11/26/03 FRAC WITH 6000# LITE PROP 175 20/40; 47000 GALS MEDALLION 3000; 73,000# 20/40 ECONO PROP & 8400 GALS 15# SLICK WATER (FLUSH).

11/27/03 RIH W/RODS & TBG. TURNED WELL OVER TO PRODUCTION.

12/3/03 WELL HAD FIRST SALES OF OIL AND GAS.