

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-064488-E
2. Name of Operator Yates Petroleum Corporation (Fasken Oil & Ranch, Ltd)		6. If Indian, Allottee or Tribe Name
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-748-1471	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FEL of Section 10-T19S-R25E (Unit G, SWNE)		8. Well Name and No. Arco Federal 10 #2
		9. API Well No. 30-015-20692
		10. Field and Pool, or Exploratory Area Dagger Draw Upper Penn, No.
		11. County or Parish, State Eddy Co., 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 checked="" type="checkbox"/> Recomplete Canyon	<input checked="" type="checkbox"/> Other Abandon Morrow
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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.)

10-12-2000 - Moved in and rigged up pulling unit. Pumped 40 bbls 2% KCL. Nippled down tree and nipped up BOP. Released packer. TOOH with packer and 2-3/8" tubing.

10-13-2000 - Rigged up wireline. TIH with gauge ring to 9050'. TOOH with gauge ring. TIH with CIBP and set CIBP at 9000'. Capped CIBP with 35' of cement. Rigged down wireline. Loaded casing with 140 bbls. Casing would not hold pressure. TIH with packer and tubing to attempt to find hole in casing. Tested casing down to 8400' - no holes. Shut in overnight.

10-14-16-2000 - Continued testing casing. Found bad casing from 8926-8666'. Pulled up to 7800'. Shut down.

10-17-2000 - Rigged up wireline. TIH with CIBP at set CIBP at 8600'. TOOH. Tested CIBP to 500 psi. TIH with 4" casing guns and perforated 7640-7660' w/21 .42" holes (1 SPF - Canyon). TOOH with casing guns and rigged down wireline. TIH with packer and tubing. Set packer at 7585' and tested, OK. Acidized perforations 7640-7660' with 2500 gallons 20% iron control HCL acid. Swabbed. Shut well in.

10-18-2000 - Swabbed. Shut well in.

14. I hereby certify that the foregoing is true and correct 10-19-2000 - Swabbed. Released well to production department.
Name (Printed/Typed)

Rusty Klein

Title Operations Technician

Signature

Date October 30, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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