N.M. Oil Cons. DIV-Dist. 2 UNITED STATES 1301 W. Gra AVONU**G**FORM APPROVED DEPARTMENT OF THE INTERIOR TIESIA, NIVI OMB No. 1004-0135 BUREAU OF LAND MANAGEMEN Expires: November 30, 2000 Lease Serial No. 415167 NM-0251099-A SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee, or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA. Agreement Designation IN TRIPLICATE - Other Instructions on reverse side Type of Well 8 L 93 Well Name and No. Oil Well Gas Well Other Smith Federal Gas Com #4 Name of Operator 9. API Well No. Yates Petroleum Corporation Phone No. (include area code) 3a. Address (505) 748-1471 105 South Fourth Street, Artesia, NM 88210 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Indian Basin Upper Penn 11. County or Parish, State 1980'FSL and 1250'FWL of Section 12-T22S-R23E Eddy County, New Mexico CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Water Shut-off Acidize Deepen Notice of Intent Well Integrity Altering Casing Fracture Treat Reclamation Spud and set Other X Subsequent Report Casing Repair New Construction Recomplete Plug and abandon Temporarily Abandon surface casing Change Plans Final Abandonment Notice Convert to Injection Plug back 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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will performed or provide the Bond No. on file with the 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 recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notice shall be filed only after all requirements, including reclamantion, have been completed, and the operator has determined that the site is ready for final inspection.) Spudded with Butch's Rathole at 7:15 AM. Set 40' of 16" conductor. Notified Don Early with BLM in Carlsbad 10/4/02 of spud time. 10/8/02 Resumed drilling at 12:00 PM. Reached TD at 6:30 AM. Ran 34 joints 9-5/8" 36# J-55 (1512.29') casing set at 1501'. Texas Pattern Guide shoe 10/14/02 set at 1501'. Float collar set at 1458'. Cemented with 200 sx "H" + additives (yld 1.52, wt 14.6) and 900 sx 35:65:6 with additives (yld 1.98, wt ??). Tailed in with 200 sx "C" + 2% CaCl2 (yld 1.32, wt 14.8). PD at 2:30 PM. Did not circulate cement. Ran Temperature survey, cement at 800'. Cemented stage 1 thru 1" with 25 sx Class "C" + 2% CaCl2. Tagged at 865'. Tagged cement at 859'. Cemented plug #2 with 25 sx Class "C" + 2% CaCl2. Tagged cement at 775'. Cemented plug #3 with 50 sx Class "C" + 2% CaCl2. Tagged cement at 754'. Cemented plug #4 with 50 sx Class "C" + 2% CaCl2. Tagged cement at 671'. Cemented stage 5 with 50 sx Class "C" + 2% CaCl2. Tagged cement at 660'. Cemented stage 6 with 50 sx Class "C" + 2% CaCl2. NOTE: Left message with BLM (Carlsbad) and notified of present operations. Corrected TD to 1501'. ACCEPTED FOR RECORD 14. I hereby certify that the foregoing is true and correct. Name (Printed/ Typed) OCT 17 2002 Regulatory Compliance Surjervisor Tina L. Huerta Signature ALEXIS C. SWOBODA October 15, 2002 THIS SPACE FOR FEDERAL OR STATE OFFICE US Conditions of approval, if any are attached. Approval of this notice does not warrant or Office 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

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 any department or agency of the United States any false. Section 1201 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false.