

N.M. Oil Cons. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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**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.**

5. Lease Serial No. NMNM92154
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. NMNM106841
8. Well Name and No. PAY AYY FEDERAL COM. 1
9. API Well No. 30-005-43510
10. Field and Pool, or Exploratory WILDCAT PRECAMBRIAN
11. County or Parish, and State CHAVES COUNTY, NM

1. Type of Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator YATES PETROLEUM CORPORATION	Contact: TINA HUERTA E-Mail: tinah@ypcnrm.com
3a. Address 105 S. 4TH ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 505-748-4168 Fx: 505.748.4585	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T8S R26E NWNW 660FNL 330FWL UT. D		

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	Drilling Operations
	<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.)

2/14/03 - Spudded at 2:00 PM. Set and cemented 40' of 16" conductor.  
2/15/03 - Resumed drilling at 11:30 AM.  
2/18/03 - Ran 8-5/8" 24# ST&C casing set at 1008'. Cemented with 400 sx 35:65 Poz "C" with additives. Tailed in with 200 sx "C" with additives. Circulated to surface. WOC 19 hrs. Reduced hole to 7-7/8" and resumed drilling.

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

Electronic Submission #18877 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Roswell  
Committed to AFMSS for processing by Armando Lopez on 02/24/2003 (03AL0145SE)

Name (Printed/Typed) TINA HUERTA

Title REG COMPLIANCE SUPERVISOR

Signature (Electronic Submission)

Date 02/24/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

ARMANDO A LOPEZ  
Title PETROLEUM ENGINEER

Date 02/25/2003

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 Roswell

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.

\*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\* REVISED \*\*