Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000

5. Lease Serial No.

NM-9187

SUNDRY NOTICES AND REPORTS ON THE SUNDRY NOTICES AND REPORTS OF THE SUNDRY NOTICES AND REPORTS OF THE SUNDRY NOTICES AND REPORTS ON THE SUNDRY NOTICES AND REPORTS OF THE SUNDRY Mif Mian, Allottee or Tribe Name Do not use this form for proposals to drill or abandoned well. Use Form 3160-3 (APD) for such If Unit of A/Agreement, Name and/o SUBMIT IN TRIPLICATE - Other instructions on rev Type of Well Well Name and No Other Oil Well X Gas Well RECEIVED Box Canvon Unit #5 9. API Well No. Yates Petroleum Corporation 1 8 2004 Address Phone No. (include area code) 30-015-33155 (505) ACD-ARTESIA 10. Field and Pool, or Exploratory Area 105 South Fourth Street, Artesia, NM 88210 Location of Well (Footage, Sec., T., R., M., or Survey Description) Wildcat Chester 11. County or Parish, State Sec 24, T21S R21E, 1,800FNL 800FEL Eddy County, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off X Notice of Intent Deepen Production (Start/Resume) Acidize Alter Casing Fracture Treat Reclamation Well Integrity Recomplete Casing Repair New Construction Other Subsequent Report Variance in Change Plans Plug and Abandon Temporarily Abandon Water Disposal pressure test Convert to Injection Plug Back Final Abandonment Notice Describe Proposed or Completed Operations (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 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 recompletion in a new interval, a Form 3 160-4 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.) Yates Petroleum Corporation respectfully requests a variance to install a rotating head on the 13 3/8" casing while drilling the intermediate hole. A 3000 psi BOP will then be installed on the 9 5/8" intermediate casing prior to drilling below intermediate casing seat. Thank-you, I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Jeremiah Mullen Drilling Engineer Asst. Date Signature November 29, 2004 THIS SPACE FOR FEDERAL OR STATE USE Approved by PETROLEUM ENGINEER" DEC 0 2 2004 (ORIG. SGD.) ALEXIS C. SWOBODA 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.