

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or 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



Oil Well



Gas Well



Other

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MAY 10 2005

2. Name of Operator

Yates Petroleum Corporation

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1,980' FSL & 1,980' FEL Section 14-T20S-R24E Unit J NWSE

5. Lease Serial No.

NM-043625

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Saguaro AGS Federal #4

9. API Well No.

30-015-26420

10. Field and Pool, or Exploratory Area

Dagger Draw Upper Penn, South

11. County or Parish, State

Eddy County, N.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



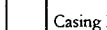
Final Abandonment Notice



Acidize



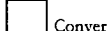
Alter Casing



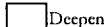
Casing Repair



Change Plans



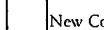
Convert to Injection



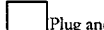
Deepen



Fracture Treat



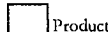
New Construction



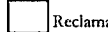
Plug and Abandon



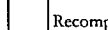
Plug Back



Production (Start/Resume)



Reclamation



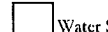
Recomplete



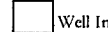
Temporarily Abandon



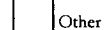
Water Disposal



Water Shut-Off



Well Integrity



Other

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 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 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.)

NO PRODUCTION SINCE 1998.

Yates Petroleum Corporation has instilled the TA status of this well in order to fully evaluate it for possible secondary recovery. The estimated date of production will depend on economic conditions in the waterflood area.

Yates Petroleum Corporation Temporarily Abandoned this well as follows:

4/26/05 - Notified BLM & OCD. Moved in. Moved in steel pit.

4/28/05 - RU & NU BOP. Tbg stuck. Worked loose. POOH to SN. No anchor or pkr. RIH w/ 5 -1/2" gauge ring. POOH.

4/29/05 - RIH & set CIBP @ 7,532'. Made 2 runs dump bailer, 35' cement. Sad.

5/2/05 - RIH & tagged @ 7,487'. Circulated well w/ 2% KCL & inhibitor fluid. Run chart for 30 minutes @ 750#.

POOH w/ tbg. Flanged up head. Called Jim Amos w/ BLM & notified results of chart. WELL IS TEMPORARILY ABANDONED ON 5/2/05. FINAL REPORT.

APPROVED FOR 12 MONTH PERIOD

MIT conducted on 5/2/05. Chart attached. No witness.

ENDING 5/2/2005

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

Name (Printed/Typed)

Su'Ann Rogers

Title

Regulatory Compliance Tech.

Signature

Su'Ann Rogers

Date

May 4, 2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

PETROLEUM ENGINEER

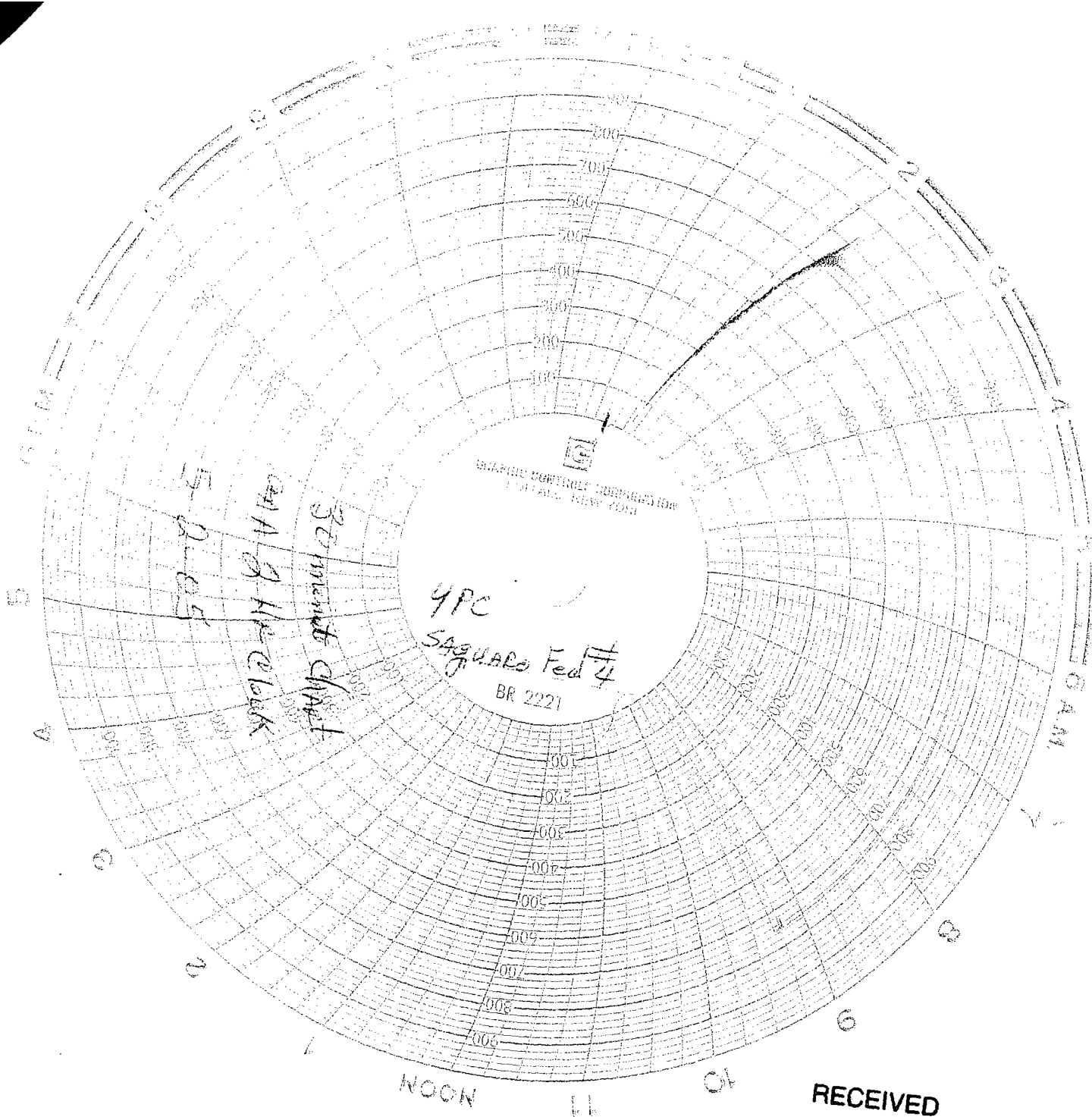
Date MAY 06 2005

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

RFO

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



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