

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.

Oil Cons. DIV-DIS-2
1301 W. Grand Avenue
ALBUQUERQUE, NM 88210

5. Lease Serial No. NM-69333

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or I

8. Well Name and No. Lonesome Dove Federal

9. API Well No. 30-015-33873

10. Field and Pool, or Exploratory Area Hess Morrow East

11. County or Parish, State Eddy, New Mexico

SUBMIT IN TRIPLICATE. Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator Yates Energy Corporation

3a. Address P. O. Box 2323, Roswell, NM 88202

3b. Phone No. (including area code) 505-623-4935

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FNL and 660' FEL of Section 26, T-23-S, R-23-E

RECEIVED
AUG 17 2005

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	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

Original Completion

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 determined that the site is ready for final inspection.)

July 26, 2005 through August 1, 2005
Completion Continued
Pulled out of the hole with packer and ran back in the hole with RBP setting at 10,098' and packer setting at 10,078' K.B.
Tested perforations from 10,076' to 10,084'; recovered 5 barrels water with continuous gas flare.
Reset RBP at 10,059' and reset packer at 9964'. Tested perforations 10,048' - 10,056' K.B.
Swab and flow tested recovering 97 barrels water with strong gas blow.

ACCEPTED FOR RECORD
AUG 15 2005
as
ALEXIS C. SWOBODA
PETROLEUM ENGINEER

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

Name (Printed/Typed) Sheryl L. Jonas

Signature *Sheryl L. Jonas*

Title Agent for Yates Energy Corporation

Date 8-4-05

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 _____