Form 3160-5 (April 2004)

## N.M. Oil Cons. DIV-Dist. 2

UNITED STATES

DEPARTMENT OF THE INTERACTESIA, NM 88210

BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB No. 1004-0135

| BORESTO OF ENTRY WITH THE PARTY OF THE PARTY |                              | Expires Materials 1, 2007                            |
|--|------------------------------|--|
| SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or re enter an  |                              | 5. Lease Serial No.                                  |
|  |                              | NM-103850  |
| abandoned well. Use Form 3160-3 (APD) for such proposals.  |                              | 6. If Indian, Allottee or Tribe Name                 |
| SUBMIT IN TRIPLICATE - Other instructions on reverse side  |                              | 7. If Unit or CA/Agreement, Name and/or No.          |
| 1. Type of Well  Oil Well  X Gas Well  Other   | RECEIVED                     | 8. Well Name and No.                                 |
|  | APR 0 6 2006                 | Nitram AVN Federal #2                                |
| 2. Name of Operator Yates Petroleum Corporation  | OCU-MITE OF                  | e. API Well No.                                      |
| a. Address 3b. Phone No. (include area code)   |                              | 30-005-63799   |
| 105 S. 4th Str., Artesia, NM 88210 505-748-1471  |                              | 10. Field and Pool, or Exploratory Area              |
| 4. Location of Well (Footage, Sec.,T.,R.,M., OR Survey Description)  |                              | Foor Ranch; Pre Permian  11. County or Parish, State |
| 660'FSL & 1980'FWL of Section 35-T8S-R26E (Unit N, SESW)   |                              | Chaves County, New Mexico                            |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPO   |                              |  |
| TYPE OF SUBMISSION TYPE OF ACTION  |                              |  |
|  |                              |  |
| Acidize  | Deepen Production            | (Start/Resume) Water Shut-Off                        |
| Notice of Intent Alter Casing  | Fracture Treat Reclamation   | n Well Integrity                                     |
| X Subsequent Report Casing Repair  | New Construction Recomplete  | Completion   |
| Change Plans   | Plug and Abandon Temporarily | y Abandon Operations                                 |
| Final Abandonment Notice Convert to Injection  | Plug Back Water Disp         | osal   |
| 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.)  3/9/06 Perforate Strawn 6132'-6166' (136) and 6188'-6196' (32). Acidize with 1500g 7-1/2% IC HCL with 300 ball sealers.  3/15/06 Frac Strawn with 39,816g 35# 65Q CO2 foam and 125k 20/40 Ottawa. AS-1 10K packer with 2.25" on/off tool at 6060'.  ACCEPTED FOR RECORD  APR - 5 2006  ALEXIS C. SWOBODA  PETROLEUM ENGINEER  |                              |  |
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tina Huerta   | Title Regulatory Compli      | ance Supervisor                                      |
| Signature ( Sina ) Huarta  | Date March 30, 2006          |  |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE   |                              |  |
| 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.  |                              |  |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willbully 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