Form 3160-NDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or re enter an

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED OMB No 1004-0135 Expires January 31, 2004

5 Lease Senal No

NM-86241

abandoned well. Use Form 3160-3 (APD) for such proposals. 6 If Indian, Allottee or Tribe Name AUG 14 2007 N/A 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on reverse GigeARTESIA Type of Well X Oil Well Gas Well 8 Well Name and No Hillview AHE Fed Com #5 2 Name of Operator Yates Petroleum Corporation 9 API Well No 3b. Phone No (include area code) 30-015-26600 3a. Address 505-748-1471 10. Field and Pool, or Exploratory Area 105 S. 4th Str., Artesia, NM 88210 4. Location of Well (Footage, Sec ,T.,R.,M , OR Survey Description) DAGGER DRAW UPPER PENN 11 County or Parish, State 660' FNL & 660' FEL SECTION 23-T20S-R24E UNIT A Eddy County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Other EXTEND Casing Repair New Construction Recomplete ubsequent Report TA STATUS Change Plans Plug and Abandon Temporarily Abandon RESUBMIT Convert to Injection Water Disposal Final Abandonment Notice Plug Back 13 Describe Proposed of 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 honzontally, 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) Yates Petroleum Corporation respectfully requests an extension on the following well TA status in order to evaluate and possible recompletion to the Cisco Canyon along with other area wells. This zone had not been tested in the area prior to the intent to P&A being sent. We have several procedures written to test this interval in surrounding wells which are currently being processed.

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Susan S. Lopez Regulatory Compliance Tech Title August 2, 2007 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title 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 content Title 18 U.S.C. Section 1001 and Tine MOCD Spise 122 TPK RTIPUTA any person knowingly and willfully to make to any department of agency States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction FREDERUM EN PETROLEUM ENGIN

Plans are to test this interval in area wells within the next 12 months if all the land issues can be resolved.

We would like to test all options in this area before giving up any of our well bores.

NOTE: Mechanical Integrity Test was conducted on 7/13/03.