

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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.

5. Lease Serial No.

NM23417

N1956429

If Indian, Allottee or Tribe Name

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, New Mexico 88202

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1800' FSL and 2310' FEL of Sec. 17, T18S, R29E

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

8. Well Name and No.
East Travis Federal "17" No. 1

9. API Well No.
30-015-23205

10. Field and Pool, or Exploratory Area
Strawn

11. County or Parish, State
Eddy, New Mexico

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 Perforate Strawn |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input checked="" type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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 recompleat 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 recompleat 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.)

Field operations began September 8, 2006.

Ran in the hole and set CIBP at 10,350' K.B. Dumped 35' cement on top.

Ran in the hole with packer and tubing.

Spotted 250 gallons 10% Acetic Acid, set packer at 9846' K.B., tested tubing to 4850 psig, O.K.

Came out of the hole, repaired packer, ran back in the hole and set packer at 9813' K.B. Tested Tubing to 4000 psig.

Perforated 9998' K.B. to 10,101' K.B. (3 JSPF)

Perforated 9986' K.B. to 9998' K.B. (3 JSPF), displaced acid.

Acidized with 5000 gallons 15% NeFe acid.

9/25/06: 65 hour SITP 1625 psig. Ran Bottom Hole Pressure test: BHP 2349 psig at 10,000' K.B.

Left well flowing to sales line, FTP 66 psig after 30 minutes.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Sheryl L. Jonas

Title Agent for Yates Energy Corporation

Signature

Sheryl L. Jonas

Date

09/26/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Office

ACCEPTED FOR RECORD
003- 5 2006
FREDERICK WRIGHT
JULY ENGINEER

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.

(Instructions on page 2)