Form 3160-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Electronic Xanadu AXD Fed #1

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

Do not use this form for proposals to drill or to re-enter an abandoned well.

Use Form 3160-3 (APD) for such proposals.

DEC 1 5 2004

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Bold* fields are required.

Section 1 - Completed by Operator					
1. BLM Office* Roswell, NM	2. Well Type* GAS				
3. Submission Type*Notice of IntentSubsequent ReportFinal Abandonment Notice	4. Action* Drilling Operations				
Operating Comp	any Information				
5. Company Name* YATES PETROLEUM CORPORATION					
6. Address* 105 SOUTH FOURTH STREET	7. Phone Number* 505-748-1471				
ARTESIA NM 88210					
Administrative Co					
8. Contact Name* TINA HUERTA	9. Title* REG COMPLIANCE SUPERVISOR				
10. Address* 105 SOUTH FOURTH STREET	11. Phone Number* 505-748-4168				
ARTESIA NM 88210	12. Mobile Number				
13. E-mail* tinah@ypcnm.com	14. Fax Number 505-748-4585				
Technical Contact Information					
Check here if Technical Contact is the same as Administrative Contact.					
15. Contact Name*	16. Title*				
17. Address*	18. Phone Number*				
	19. Mobile Number				
20. E-mail*	21. Fax Number				

22. Lease Serial Number* NM-105198				23. If Indian, Allottee or Tribe Name			
24. If Unit	or CA/Agreeme	ent, Name an	d/or Number	25. Field and Pool, or Exploratory Area* UNDES FOOR RANCH PRE-PERM			
			County a	and State for Well			
26. County	y or Parish, St a COUNTY NM	ite*					
			Associate	d Well Information			
a) Well Nai		, API Number,	Section, Towns	hip, Range, Qtr/Qtr, N/S Foo ıde, Metes & Bounds descrip			
Well Name* XANADU AXD FEDERAL				Well Number*	API Number 30-005-63641		
Section 29	Township 9S	Range 26E	Qtr/Qtr SESE	N/S Footage 660 FSL	E/W Footage 660 FEL		
Latitude Longitude Metes and Bounds			Bounds				

28.	Des	cr	ibe	Pro	posed	or	Con	npleted	Operation	1
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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 markers and zones. Attach the Bond under which the work will be performed or provide the Bond Number on file pertinent 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.

12/5/04 Reached TD 6100' at 4:00 PM. Set 5-1/2" 15.5# J-55 casing at 6100'. Float collar at 6054'. Cemented with 500 sx Lite Crete + 2% D153 + .2% D46 + 4#/sx Gilsonite (yld 2.92, wt 9.8). Tailed in with 450 sx PVL + .3% D167 + .2% D65 + 1#/sx Salt + 4#/sx Gilsonite + .1% D13 (yld 1.41, wt 13). Cement circulated to surface.

I hereby certify that the foregoing is true and correct.					
29. Name* TINA HUERTA	30. Title REG COMPLIANCE SUPERVISOR				
31. Date* (MM/DD/YYYY) 12/13/2004	32. Signature* You have the ability to sign this form only if a SmartCard or digital certificate has been issued to you.				

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.