

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

NM Oil Cons. Div-Dist. 2

1501 W. Grand Avenue

Artesia, NM 88210

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Yates Drilling Company

3a. Address
105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)
(505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2310' FSL and 2310' FWL
Section 30, T25S-R30E

5. Lease Serial No.
NM-14785

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Bennett Federal #2

9. API Well No.

10. Field and Pool, or Exploratory Area
Bone Spring

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Continue drilling to a deeper formation.
	<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	

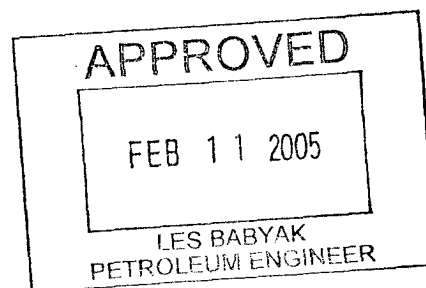
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical 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.)

PLEASE REFER TO PAGE #2 ATTACHED.

RECEIVED

FEB 16 2005

DOB-ARTESIA



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

Name (Printed/Typed) Cy Cowan Title Regulatory Agent

Signature [Signature] Date February 9, 2005

THIS SPACE FOR FEDERAL OR STATE 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. Office

Title 18 U.S.C. Section 1001, 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 reverse)

YATES DRILLING COMPANY

Bennett Federal #2

Drilling Prognosis

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Yates Drilling Company originally planned to drill this well to 7500' however it was decided to drill to a new TD of 10,200' to test deeper portions of the Bone Spring formation.

MUD PROGRAM: 7500'-10,200' Cut Brine/Starch (Weight: 8.9-9.2, Vis: 28-32), <10-15 water loss.

CASING PROGRAM: 5 1/2" Production Casing Design (Estimated)

Surface to 2200'	5 1/2"	17#	N-80	LTC
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2200'-7800'	5 1/2"	17#	J-55	LTC
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7800' to 10,200'	5 1/2"	17#	N-80	LTC
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Intermediate Casing has been set:

0-3445'	8 5/8"	32#	J-55	STC	Circulate 98 sacks to pit.
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CEMENTING PROGRAM: Approximate.

850 sx Class Super "C" Modified (YLD 1.67 WT 13.0) TOC 2700'