

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

1301 W. Grand Avenue

Artesia, NM 88210

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

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

MAY 24 2005

2. Name of Operator

Yates Energy Corporation

OCD-ARTESIA

3a. Address

P. O. Box 2323, Roswell, NM 88202

3b. Phone No. (include area code)

505-623-4935

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL and 660' FEL of Section 26, T-23-S, R-23-E

5. Lease Serial No.
NM-69333

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lonesome Dove Federal #2

9. API Well No.

30-015-33873

10. Field and Pool, or Exploratory Area
Hess Morrow East

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

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ OtherBOP TEST
85/8" CASING REPORT

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 recompleate 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 recompleation 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.)

12:15 PM May 7, 2005 drilled to a total depth of 2638' K.B., Deviation 1 degree at 2638' K.B.

5:15 PM May 7, 2005 ran 62 joints of 8.875" 32#/ft., 8rd ST&C, K-55 casing set at 2638' K.B.

10:30 PM May 7, 2005 cemented with a 1000 gallon Super Flush 102, 805 sacks Interfill "C" with 5# Gilsonite/sk., and 1/4# Flocele/sk., and 320 sacks Class "C" with 1% CaCl2. Circulate 300 sacks cement to pit.

Did not bump plug. Float held. Plug down at 12:45 AM May 8, 2005. BLM Agent Paul Swartz was on location to witness cementing. 21 3/4 hours.

11:45 AM 5/8/05 pressure tested blind rams, well head, kill manifold and casing to 1000 psig with rig pump for 30 minutes. Had notified Paul Swartz with the BLM of test but no witness was on location.

7:00 PM May 8, 2005 Went in hole with bottom hole assembly, tagged cement at 2254' (340' above float collar).

10:45 PM May 8, 2005 closed pipe rams and test BOP and choke to 1000 psig for 30 minutes with rig pump.

5/13/05: Drilling formation at 4757' (averaging 13.5 fph.). MW 8.8, Vis 28, Ph 11.5, Chlorides 56,000.

Last Deviation survey 1 1/4 degree at 4469' K.B.

ACCEPTED FOR RECORD

MAY 23 2005

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

May 17, 2005

LES BABYAK
PETROLEUM ENGINEER

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.

Office