

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter 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

RECEIVED

MAR 29 2006

2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

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

810'FNL & 1930'FEL of Section 9-T22S-R24E (Unit B, NWNE)

5. Lease Serial No.

NM-78214

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Anemone ANE Federal #3

9. API Well No.

30-015-28126

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn Assoc.

11. County or Parish, State

Eddy County, 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

☒ Other Squeeze

holes and MIT

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.)

3/9/06 Drilled out cement from 1814' to squeeze holes at 1890'. No cement encountered after 1890'. Ran bit to 1930' and shut down and notified NMOCD (Van Barton) and BLM (Clark Bennett) of intent to pressure test the 7" casing from surface to RBP at 2208'. BLM agreed to an immediate test w/o 24 hr. notice. Tested to 500 psi for 30 min and charted test. BLM witness on location Bob Hoskinson signed the chart. Copy of chart attached.

Accepted for record
NMOCD */s/*

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

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

March 22, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ORIG. SGD. DAVID R. GLASS

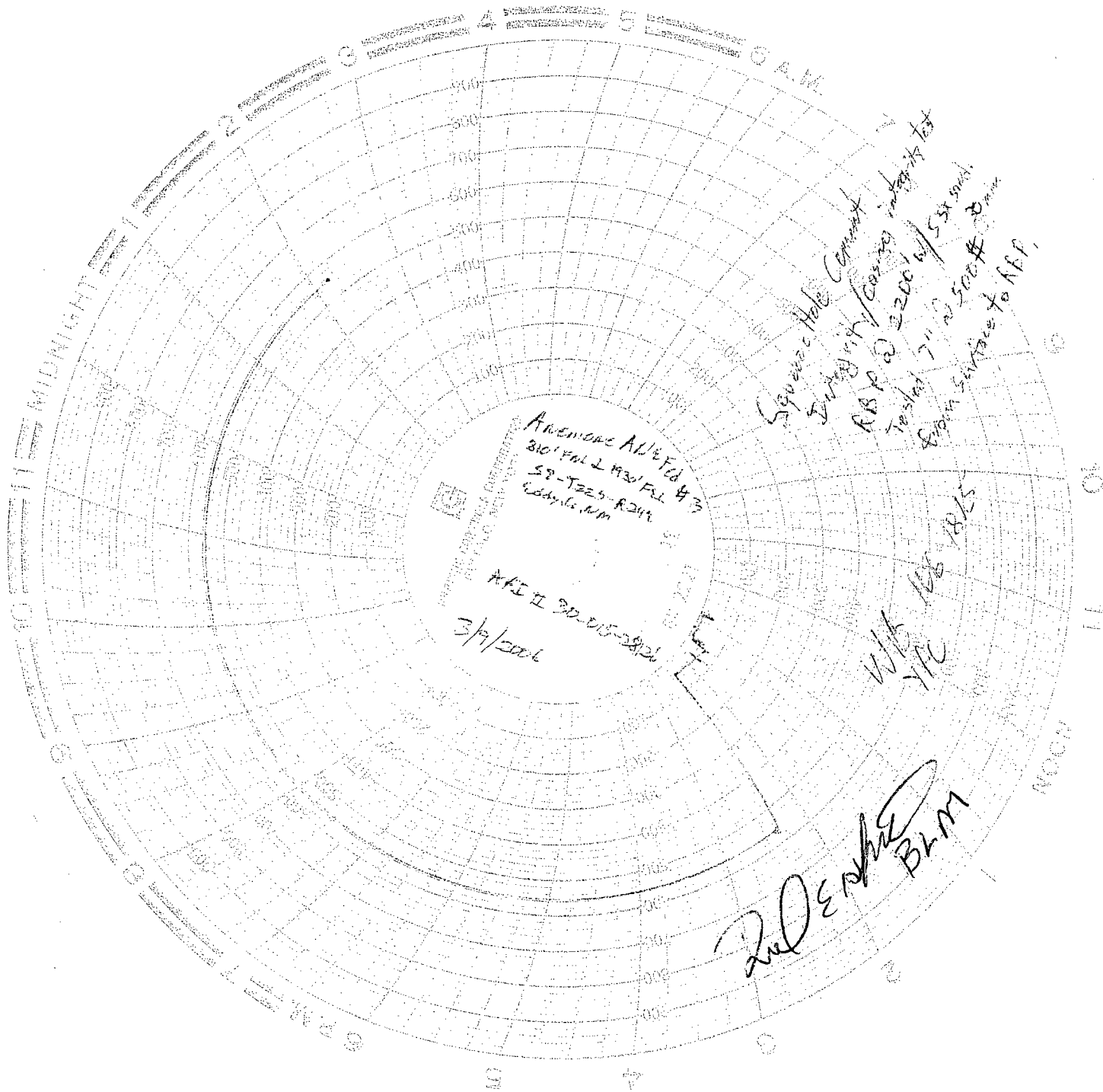
Title

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 104 and The 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 representations as to any matter within its jurisdiction



Armenia AL/E Fed
3101 FAL 2 1930 FAL 43
SP-T225-R244
Eddy's, WPM

AFI II 30-015-5826
3/9/2006

Signature Hole Comment
Surveys w/Convey integrity test
RBP @ 2200 w/5st sound.
Tested 7" @ 500# 30 min
Exp. in surface to RBP.

W/H 108 18/5
JTC

2006
BLM