

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.**

**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)  
**1550' FSL & 860' FEL of Sec. 23, T23S, R23E**

5. Lease Serial No.  
**NM111398**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**North Hess Federal "23" No. 1**

9. API Well No.  
**30-025-34509**

10. Field and Pool, or Exploratory Area  
**Yesso**

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 checked="" type="checkbox"/> Notice of Intent	<input checked="" 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 <b>Perforate</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>Yesso formation</b>
	<input type="checkbox"/> Convert to Injection	<input 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.)

1. Come out of the hole with service equipment.
2. Go in the hole with RBP and set at 2649' K.B.
3. Spot 250 gallons 15% Nefe Acid at 2377' K.B.
4. Go in the hole and perforate the Yesso formation from 2238' - 2377' (139') with 2 JSPF 120 holes.
5. Swab and flow test.
6. Acidize or frac the well according to performance.
7. Run production assembly in hole.
8. Run potential test and place well on line.

APPROVED FOR 3 MONTH PERIOD  
ENDING 9-1-06

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

**05/22/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by **(ORIG. SGD.) GARY GOURLEY**

Title

Date

**6-1-06**

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 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)