

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**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation

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)

2180'FNL & 660'FWL of Section 6-T26S-R27E (Unit E, SWNW)

5. Lease Serial No.

NM-97127

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Punch BJD Federal #1

9. API Well No.

30-015-22471

10. Field and Pool, or Exploratory Area

Wildcat Delaware

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			
<input 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 checked="" 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 <u>Re-entry</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operations</u>
	<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 recomple 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 recomple 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.)

8/3/06 Began re-entry operations and drilled out surface plug and continued drilling through plugs.  
8/4/06 Cleaned out down to 1796'. Circulated hole clean.  
8/5/06 Pushed down parts of CIBP to 1830'. Circulated hole clean.  
8/10/06 Circulated mud and cuttings from 1908' to 2348' and tagged top of 7-5/8" casing. Circulated hole clean.  
8/12/06 Ran bit to a depth of 2448'. Stacked out. Pulled up and tried to enter top of 7-5/8" casing with bit, unable to get back into 7-5/8" casing. Unable to pull mill back into 10-3/4" casing. Worked for several hours and mill would not work past 2048'.  
8/14/06 Attempted to pull mill. Unable to pull past 2043'. Mill moving uphole. Pull mill and drilling string up from 2043' to 6'. Mill stuck at 6'. Cut 10-3/4" casing above double slip collar. Pull 6' of 10-3/4" casing. Removed a split 7-5/8" collar from top of mill. Welded 10-3/4" casing.  
8/15/06 Tagged top of 7-5/8" casing at 2414'. Work into top of casing. TIH with bit to depth of 3000'. TOH with bit.

**CONTINUED ON NEXT PAGE:**

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

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

*Tina Huerta*

Date

August 25, 2006

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Accepted for record - NMOCD  
Office

Date

AUG 31 2006

*9/7/06*  
ALEXIS C. SWCRODA  
PERIODIC ENGINEER

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

Yates Petroleum Corporation  
Punch BJD Federal #1  
Section 6-T26S-R27E  
Eddy County, New Mexico

**Form 3160-5 continued:**

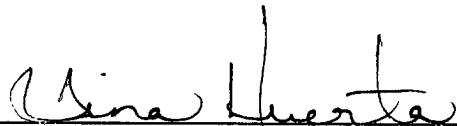
Run Collar locator log to a depth of 3013'. Log shows casing in good shape. Top of 7-5/8" casing at 2414'.

8/16/06 Mill and dress top of casing stub from 2414'-2415'. Circulated hole clean.

8/17/06 TIH with 9-5/8" slip joint and 55 joints 7-5/8" 25.59# casing. Tagged 7-5/8" casing stub at 2415'. Worked slip joint over casing. RIH with collar locator to a depth of 4480' and tagged (slip joint is over 7-5/8" casing stub at 2415'). TOH with collar locator. Dumped 35' sand at 4480'. Pumped 450 sx Lite cement and 200 sx Class "C" with 2% CC. Cement circulated to surface. Continued drilling through plugs.

8/21/06 Circulated down from 4860'-5095'. Circulated hole clean. CIBP at 5100'.

8/22/06 Perforate Delaware 4864'-4886' (23), 4896'-4908' (13) and 4914'-4924' (11). Set packer and 2-7/8" tubing at 4789'.



Regulatory Compliance Supervisor

August 25, 2006