

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 W Do not use this form for proposals to drill or re ent | HOO 0 | 5 Lease Serial No NM-14459 |
|---|------------------------|--|
| abandoned well. Use Form 3160-3 (APD) for such pro | posals. OCD-ARTESIA | 6. If Indian, Allottee or Tribe Name |
| SUBMIT IN TRIPLICATE - Other instructions | on reverse side | 7 If Unit or CA/Agreement, Name and/or No. |
| 1 Type of Well | | 9 Well News and Ne |
| Oil Well X Gas Well Other | | 8. Well Name and No |
| 2 Name of Operator | | Mescal SE Federal #2 |
| Yates Petroleum Corporation 3a. Address 3b Phone | No (include area code) | 9 API Well No 30-015-35509 |
| 105 S. 4th Str., Artesia, NM 88210 | 505-748-1471 | 10 Field and Pool, or Exploratory Area |
| 4 Location of Well (Footage, Sec.,T.,R ,M., OR Survey Description) | | Wildcat Mississippian, Gas |
| 190'FSL & 760'FWL of Section 18-T21S-R22E (Unit M, SW | /SW) Surface Location | 11 County or Parish, State |
| | | Eddy County, New Mexico |
| 12. CHECK APPROPRIATE BOX(ES) TO INDICA' | TE NATURE OF NOTICE | E, REPORT, OR OTHER DATA |
| TYPE OF SUBMISSION TYPE OF ACTION | | |
| Acidize | Deepen Produ | oction (Start/Resume) Water Shut-Off |
| Notice of Intent Alter Casing | Fracture Treat Reclar | mation Well Integrity |
| Casing Repair | New Construction Recor | onplete X Other Surface |
| Subsequent Report Change Plans | | oratıly Abandon Casing |
| | | |
| Final Abandonment Notice Convert to Injection | Plug Back Water | Disposal |
| If the proposal is to deepen directionally or recomplete 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 BLWBIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion 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.) 5/14/07 Resumed drilling at 2:00 AM. 5/15/07 Set 13-3/8" 48# H-40 casing at 298'. NOTE: Could not work casing past 298', Fred Wright (BLM-Carlsbad) | | |
| gave permission to set casing at 298'. Cemented with 100 sx RFC + 0.125#/sx D130 + 5#/sx D24 and 150 sx 35:65:6 Poz "C" + 0.125#/sx D130 + 6% D24 + 5#/sx D24 + 3% S1 (yld 1.99, wt 12.6). Tailed in with 350 sx Class "C" + 0.125#/sx D130 + 2% S1 (yld 1.32, wt 14.8). Cement did not circulate. Ran temperature survey and found TOC at 225'. Ran 1" cement to surface with 253 sx Class "C" cement with additives. NOTE: Bob Hoskinson (BLM-Carlsbad) was notified but did not witness 1" cementing. Tested casing to 500 psi for 30 min. WOC 68 hrs. Reduced hole and resumed drilling. | | |
| | | ACCEPTED FOR RECORD |
| | | |
| 14 I hereby certify that the foregoing is true and correct | | JUL 2 9 2007 |
| Name <i>(Printed/Typed)</i> Tina Hu ę rta | Title Regulatory Coi | mpliance Supervisor |
| Signature (Lina Luerta) | Date May 17, 2007 | BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | | |
| Approved by | Title | Date |

Title 18 U S C Section 1001 and Title 43 U S.C Section 1212, make it a crime for any person knowingly and willbully 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

Office

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