Form 31,50-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Oil Cons. N.M. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

FORM APPROVED OMB No. 1004-0135 Expires January 31, 2004

5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

NM-91504 Do not use this form for proposals to drill or re enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side 1. Type of Well RECEIVED Oil Well Gas Well Other 8. Well Name and No. FFR 1 8 2004 Mighty Mite AZF Federal Com #1 2. Name of Operator OCD-ARTESIA. API Well No. Yates Petroleum Corporation 3b. Phone No. (include area code) 30-015-32266 3a. Address 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) Indian Basin Upper Penn Assoc. 11. County or Parish, State Surface - 229'FNL & 1541'FEL of Section 10-T22S-R24E (Unit B, NWNE) Eddy County, New Mexico Bottomhole - 660'FNL & 660'FEL of Section 10-T22S-R24E (Unit A, NENE) 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Reclamation Well Integrity Fracture Treat Other Production Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporarily Abandon casing Final Abandonment Notice 13. Describe Proposed of 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 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 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 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.) 2/4/04 Set 7" 26# casing at 8152'. Cemented with 1040 sx 35:65:6 with additives. Tailed in with 260 sx 15:61:11 with additives. Est. TOC 500'. WOC 32 hrs 40 mins. Reduced hole to 6-1/8" and resumed drilling. 2/7/04 Reached TD 8325'. Openhole from 8152' to 8325'. ACCEPTED FOR RECORD FEB 13 2004 LES BABYAK EUM ENGINEER 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tina Huerta Regulatory Compliance Supervisor February 11, 2004 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Approved by 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. 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