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UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

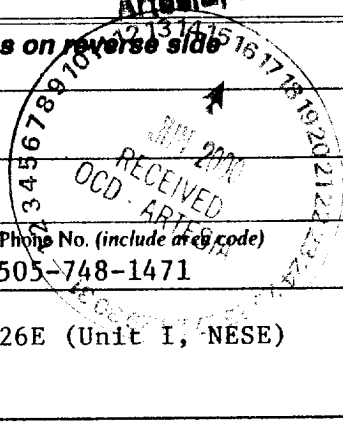
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

M. Oil Cons. Division 16. 1st Street Artesia, NM 88210-2894

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well [] Oil Well [X] Gas Well [] Other
2. Name of Operator Yates Petroleum Corporation
3a. Address 105 S. 4th St. - Artesia, NM 88210
3b. Phone No. 505-748-1471
4. Location of Well 1500' FSL & 1160' FEL of Section 10-T8S-R26E (Unit I, NESE)

5. Lease Serial No. NM-31099
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. Horn YG Federal #2
9. API Well No. 30-005-62140 63220
10. Field and Pool, or Exploratory Area Undesignated
11. County or Parish, State Chaves Co., NM



12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with 2 columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

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 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.)
3-30-2000 - Nipped up BOP. Shut down due to high winds.
3-31-2000 - Moved in and rigged up pulling unit. TIH with bit, scraper and tubing and tagged PBTD at 5981'. TOO H with tubing, scraper and bit. Rigged up wireline. TIH with logging tools and ran GR/CBL/CCL log. TOO H with logging tools and rigged down wireline. Shut well in for night.
4-1-3-2000 - TIH with TCP guns, vent, packer with 1.81" profile and 2-3/8" tubing to 5855'. Rigged up wireline and correlated guns in place. Rigged down wireline. Spaced out guns and packer. Set packer. Nipped down BOP. Nipped up wellhead. Dropped bar & guns fired - perforating 5934-5939' w/20 .38" holes (4 SPF - Ordovician). Swabbed. Shut well in over weekend.
4-4-2000 - Rigged up wireline. TIH & fished bar out of guns. Loaded tubing. Unset packer & TOO H w/TCP guns. TIH with packer with 1.81" profile, on/off tool to 5948'. Pulled packer to 5855' and set packer. Acidized perforations 5934-5939' with 500 gallons of 20% iron control HCL acid. Shut well in.
4-5-2000 - Swabbed. Shut well in.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Rusty Klein Title Operations Technician Date May 31, 2000 Signature [Handwritten Signature]

CONTINUED ON NEXT PAGE:

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 Office Date JUN 25 2000 [Handwritten Signature] BLM

DEPARTMENT OF HEALTH
HOSPITALS AND CLINICS

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