Form 3160-5 (September 2001) DEF BUR SUNDRY NO Do not use th abandoned well.	FORM APPROVED OMB No. 1004-0135 Expires January 31, 2004 5. Lease Serial No. NM-101585 6. If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPL	7. If Unit or CA/Agreement, Name and/or No.						
1. Type of Weil Oil Well X Gas	s Well Other	-10 ⁻³¹	12345	8. Well Name and No	D.		
2. Name of Operator					V Federal Com #1		
Yates Petroleum Corporatio	3b. Phone No. (inslude area code		9, API Well No.	-32523			
3a. Address	505-748-1477 ECE/VED						
105 S. 4th Str., Artesia, NM 4. Location of Well (Footage, Sec., T., R., M	SUS-748-1977-COLVED		10. Field and Pool, o Crow Flats Mo	• •			
4. Location of Wein (Footage, Coo., F., K.,		1 Contraction of the second se	"I'ESIA	11. County or Parish			
1650'FNL and 1650'FEL of Se	= UT. G,		Eddy County,				
12. CHECK APPROP	PRIATE BOX(ES) TO	INDICATE NATURE OF	NOTICE, RE	PORT, OR OT	HER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION						
	Acidize	Deepen	Production (S	itart/Resume)	Water Shut-Off		
Notice of Intent	Alter Casing	Fracture Treat	Reclamation	L	Well Integrity		
X Subsequent Report	Casing Repair	New Construction	Recomplete		X Other Repair hole		
Subsequent report	Change Plans	Plug and Abandon	Temporarily	Abandon	in casing and set		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Dispos	al	production csg		
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 proposad or completed operation (seen) side an pertinent details, including estimated starting date or 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.)

- 12/12/02 Found hole in casing. Pipe stuck in casing and bit at 1247'. Work free point (stuck at 850', free at 825'). Attempted to work pipe out of hole (wouldn't come free). TIH with 14 stands drill pipe (top of drill collar below 9-5/8" casing at 1372' - 100% free).
- 12/13/02 Attempt to work pipe back thru tight spot. Bit at 1656'. Top of collars at 758'. Made up 7-7/8" string swedge and attempt to TIH (swedge wouldn't pass wear bushing). Attempt to pull bushing. Wait on tapered string mill. Made up string mill and fished wear bushing. Picked up 7-7/8" string swedge and TIH to 1443' did not take weight. TOH with 7-7/8" string swedge with minimal drag to original tight spot (bit at 1247'). Pulled 50K over string weight and had to jar down to work free. Finished TOH with minimal drag to 858'. Pipe 100% free for remainder of TOH. Laid down motor, cross over and IBS (motor, cross over and 1st drill collar were plugged with redbed cuttings). Tagged up at 797' and cannot pass through.

CONTINUED ON NEXT PAGE:

I hereby certify that the foregoing is true and correct				
Name (Printed/Typed)				
Tina Huerta		Regulatory Compliance Supervisor		
signature line Huerta	Date	December 30, 2002	ACCEPTED FOR RECORD	
J THIS SPACE FOR FE				
Annewed by			JAN - 2 2003 Date	
Approved by		Title	Dale	
Conditions of approval, if any, are attached. Approval of this notice does not wa certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.		Office	ALEXIS C. SWOBODA	
Conditions of approval, if any, are attached. Approval of this notice does not wa certify that the applicant holds legal or equitable title to those rights in the subj	ect lease	Office	ALEXIS C. SWOBODA	
Conditions of approval, if any, are attached. Approval of this notice does not wa certify that the applicant holds legal or equitable title to those rights in the subjustic would entitle the applicant to conduct operations thereon.	ect lease r any perso	Office n knowingly and willbully to make to	ALEXIS C. SWOBODA	

YATES PETROLEUM CORPORATION Lady Luck AUV Federal Com #1 Section 33-T16S-R27E Eddy County, New Mexicc

Sundry notice continued:

- 12/14/02 TIH with 8" magnet. Tagged at 802'. Could not work past. TOH with magnet. Picked up joint drill pipe and 7-7/8" 8-3/4" swedge (piggybacked) and TIH to 1450' (outside casing). Did not tag. TOH with minimal drag. Logging tool on bottom at 802'. Could not work past. 9-5/8" casing had severe wear from 575'-590' and 760'-802'. TIH with drill pipe opened ended to 1334' did not tag.
- 12/15/02 TIH open ended to 7203'. TIH with 37 stands drill pipe and tagged up at 4657'. Washed thru tight spot. Circulated vicious sweep at 4995'. TOH to 4765'. Logger's tool stuck in drill pipe at 1375'. Cut and strip wireline out of hole. Bottom of drill pipe at 3496'. Work tools free. Picked up kelly and clear drill pipe. Attempt to TIH with drill pipe stuck drill pipe at 3526'. Worked free. Worked drill pipe and circulated.
- 12/18/02 Ran 168 joints 7" 26# L-80 casing set at 7203' as follows: 37 joints 8R blasted (1546.11') 131 joints 8R varn (5666.95'). Tapered guide shoe set at 7203'. Float collar set at 7159'. Bottom marker set at 5678'. Top marker set at 5657'. Cemented with 1800 sx Super "H" + additives (yld 1.7, wt 13). Circulated 350 sx. NOTE: TIH with 7" casing thru damaged 9-5/8" (did not take any weight). WOC 35 hrs. Reduced hole and resumed drilling.

Tina Huerta Regulatory Compliance Supervisor December 30, 2002