

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

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.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Well No. NM-02428
2. Name of Operator Yates Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-748-1471	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1060' FNL & 660' FWL of Section 10-T18S-R29E (Unit D, NWNW)		8. Well Name and No. Cabeza AUD Federal Com #1
		9. API Well No. 30-015-31039
		10. Field and Pool, or Exploratory Area Empire Morrow, South
		11. County or Parish, State Eddy Co., NM

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 Spud, conductor, resume drlg, surf. casing & cement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recompleat 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 recompleat 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.)

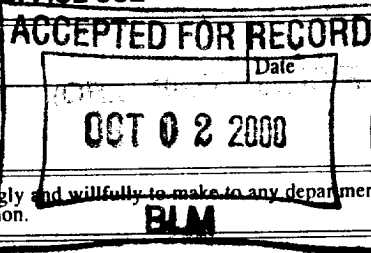
Spudded a 26" hole with rat hole machine at 4:45 PM 4-15-2000. Drilled to 40'. Set 40' of 20" conductor pipe. Cemented to surface. NOTE: Notified Jim Amos w/BLM-Carlsbad of spud. Resumed drilling a 14-3/4' hole with rotary tools at 7:00 PM 4-18-2000.

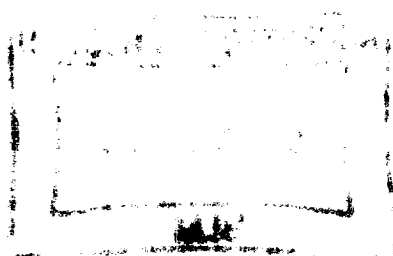
TD 366'. Reached TD at 2:35 AM 4-19-2000. Ran 9 joints of 11-3/4" 42# (373.80') of casing set at 366'. 1-Texas Pattern notched guide shoe set at 366'. Insert float set at 328'. Cemented with 200 sacks Thixotropic, 1/4#/sack flocele, 8#/sack gilsonite (yield 1.54, weight 14.6) and 200 sacks Halliburton Lite C, 5#/sack gilsonite, 1/4#/sack flocele and 2% CaCl2 (yield 2.0, weight 12.4). Tailed in with 200 sacks "C" and 2% CaCl2 (yield 1.34, weight 14.8). PD 7:45 AM 4-19-2000. Bumped plug to 350 psi, OK. Cement did not circulate. WOC. Top of cement at 60' with tally tape. Fell to 92' in 15 minutes. Filled hole with 6 yards of ready-mix. Did not fall back. WOC. Installed rotating bowl and head for diversion. Drilled out at 4:30 AM 4-20-2000. WOC 20 hours and 45 minutes. Reduced hole to 11". Resumed drilling. NOTE: Notified BLM-Carlsbad of casing & cement - Kathy Queen witnessed.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Rusty Klein		Title Operations Technician
Signature <i>Rusty Klein</i>		Date August 31, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title
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.	Office





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