Form 3160-5 (June 1990)

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DEPARTMENT OF THE INTERIOR

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BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. O. C. D. NM 043625 SUNDRY NOTICES AND REPORTS ON WESLES A CAFFICE 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well X Oil Well 8. Well Name and No. 2. Name of Operator Saguaro AGS Fed. Com #13 YATES PETROLEUM CORPORATION (505) 748-1471 9. API Well No. 3. Address and Telephone No. 30-015-27014 105 South 4th St., Artesia, NM 88210 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) North Dagger Draw U/Penn Unit B, 660' FNL & 1980' FEL, Sec. 11-T20S-R24E 11. County or Parish, State Eddy, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled. give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Spudded 26" hole 4:30 PM 6-7-92. Set 40' of 20" conductor and redi-mix to surface. Notified BLM, Carlsbad, NM, of spud. Resumed drilling 14-3/4" hole 3:30 PM 6-10-92. Lost circulation at 98'. Pumped LCM. Regained partial returns. Lost circulation again. Dry drilling. TD 14-3/4" hole 6-12-92. Ran 25 joints 9-5/8" 36# J-55 casing set 1112'. Guide shoe set 1112', insert float set 1067'. Cemented w/200 sx "H" w/12% Thixad, 10#/sx Gilsonite, 1/2#/sx Celloseal, 2% CaCl2 (yield 1.32, wt 14.8). Tailed in w/700 sx PSL "C" w/10#/sx Gilsonite, 1/2#/sx Celloseal, 3% CaCl2 (yield 2.16, wt 12.1) followed by 200 sx "C" w/2% CaCl2 (yield 1.32, wt 14.8). PD 8:00 AM 6-12-92. Bumped plug to 700 psi, float held OK. Cement did not circulate. WOC 4 hrs. Ran Temp. Survey and found TOC at 100'. Ran 3 stages of 1" and cemented w/300 sx "C" + 4% CaCl2. PD stage 3 at 2:30 PM 6-12-92. Circulated 20 sacks. WOC. Drilled out at 3:00 AM 6-13-92. WOC 20 hrs. NU and tested to 1000 psi for 15 mins. Reduced hole to 8-3/4" and resumed drilling. 14. I hereby certify that the foregoing is true and correct Title Production Supervisor (This space for Federal or State office use) Approved by ______ Conditions of approval, if any: Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully 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.