

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
FORM APPROVED
001-0135
Effective Date: October 30, 2000

clst

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		6. If Indian, Allottee or Tribe Name
2. Name of Operator Yates Petroleum Corporation		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-748-1471	8. Well Name and No. Lowe Staple AMR Federal Com #1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface: 1650' FSL & 2310' FWL of Sec. 22-T21S-R24E (K, NESW) BHL: 660' FSL & 660' FWL of Section 22-T21S-R24E (Unit M, SWSW)		9. API Well No. 30-015-10040
		10. Field and Pool, or Exploratory Area Indian Basin Upper Penn, Assoc.
		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 <u>Drill directional</u>
	<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 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.)

5-30-31-2001 - Building location.

6-1-2001 - Lining pits. Waiting on rotary tools.

6-2-3-2001 - Moving in and rigging up rotary tools.

6-4-2001 - TD 5250'. Nipped down BOP. Rigged up wireline and ran Gyro survey. Nipped up BOP. Rigged up rotary wireline. TIH and tagged up at 5270'. Jet cutted casing at 5250'. Rigged up casing crew and lay down machine. Pulled casing and laid down top joint. Could not get slips out. Nipped down BOP.

6-5-2001 - TD 5237'. Set cement plug. Nipped down BOP. Removed casing slips. Nipped up BOP. Laid down 7" casing. TIH with drillpipe to 5237'. Circulated. Set a 60 sack Class C Neat cement plug from 5237-5037' (requested by Gene Hunt w/BLM-Carlsbad).

6-6-2001 - PBTD 3600'. TIH with drill collars. TOOH with 12 stands of drillpipe. Set a 300 sack Class H with 8/10% CD-31 plug from 4100-3600' for a kick-off plug. TOOH with drill pipe. WOC. TIH with 27 stands of drillpipe. Rigged up lay down machine. Laid down drill pipe and picked up drill collars.

6-7-2001 - Time drilling at 3642'. TIH with drillpipe and tagged cement at 3489'. Drilled

14. I hereby certify that the foregoing is true and correct

CONTINUED FROM NEXT PAGE:

Name (Printed/Typed) Rusty Klein	Title Operations Technician
Signature 	Date August 30, 2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	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.	Office	NOV 9 2001
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.		
DAVID R. GLASS PETROLEUM ENGINEER		

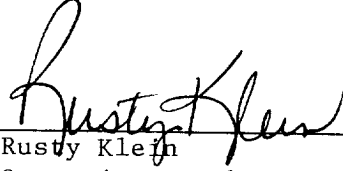
YATES PETROLEUM CORPORATION
Lowe Staple AMR Federal Com #1
Section 22-T21S-R24E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

cement from 3489-3639'. Circulated and pumped sweep. TOOH to pick up BHA. Picked up bit, motor, monel drill collars and orient sub. TIH. Rigged up circulating sub and ran wireline. Orient tool. Resumed drilling an 8-3/4" hole at 2:00 AM 6-7-2001. Time drilled to 3642'.

TD 8600'. Reached TD at 4:00 PM 6-29-2001. Ran 211 joints of 7" 26# N-80 8rd LT&C sandblasted (1316.13'); 2 joints of 7" 26# N-80 8rd LT&C varnished (85.79'); 51 joints of 7" 26# N-80 8rd LT&C varnished (2045.02'); 71 joints of 7" 26# J-55 8rd LT&C varnished (2907.31') and 55 joints of 7" 26# J-55 8rd LT&C varnished (2268.01') (Total 8622.26') of casing set at 8600'. Float shoe set at 8600'. Float collar set at 8559'. Bottom marker set at 8074-8095'. Pumped 150 bbls of mud with 150 scf/bbl N2 ahead of 525 sacks BJ Lite, 1/4#/sack celloflake, 5#/sack LCM and 5/10% FL-52 (yield 1.95, weight 12.5). Tailed in with 285 sacks Super C Modified, 5% salt, 5#/sack LCM, .6% FL25, .6% FL52 and 1/4#/sack celloflake (yield 1.67, weight 13.1). PD 7:45 PM 7-1-2001. Bumped plug to 2475 psi for 3 minutes, OK. WOC. Released rig at 1:45 AM 7-2-2001.

Waiting on completion unit.


Rusty Klein
Operations Technician
August 30, 2001

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOil, Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
FORM APPROVED
B.L.M. No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
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1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation

3a. Address

105 S. 4th St. - Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

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Surface: 1650' FSL & 2310' FWL of Sec. 22-T21S-R24E (K, NESW)

BHL: 660' FSL & 660' FWL of Section 22-T21S-R24E (Unit M, SWSW)

5. Lease Serial No.

NM-56350

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Lowe Staple AMR Federal Com #1

9. API Well No.

30-015-10040

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn, Assoc.

11. County or Parish, State

Eddy Co., NM

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<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 <u>Prep to drill deeper</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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5-23-2001 - Road to location has been washed out. Road pulling unit as close to location as possible. NOTE: Tim Bussell notified Don Early w/BLM-Carlsbad of operations. Road construction is to be monitored by an archaeological consultant.

5-24-2001 - Entry approved by Jim Amos w/BLM and Lonnie Mendez with Geo-Marine. Repaired road and cleaned location. Tested anchors. Moved in and rigged up pulling unit. Blew down tubing and casing. Shut well in. NOTE: Re-route and re-build access road while pulling unit is on location.

5-25-2001 - Blew well down. Killed tubing. Nippled up BOP. Could not release packer or on/off tool. Rigged up wireline. TIH and free point tubing. Tubing stuck at top of packer. Shot off at top of packer. TOOH and laid down 4000' of tubing. Set a CIBP at 9505' and capped with 35' of cement. Set CIBP at 7558' and capped with 35' of cement. Rigged down wireline. Shut well in.

5-26-2001 - TIH with tubing to 5620'. Spotted a 50 sack Class C plug from 5920-5620'. Pulled above cement. Dropped down and tagged plug at 5645'. TOOH and laid down tubing. Nippled down BOP and nipped up tree. Released well to drilling department.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Rusty Klein

Title Operations Technician

Date August 30, 2001

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ACCEPTED FOR RECORD

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

Date

Office

NOV 9

DAVID R. GLASS
PETROLEUM ENGINEER