

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210
Bureau Approved
OMB No. 1004-0135
Expires November 30, 2000
NM-56350

CIS 17

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 |

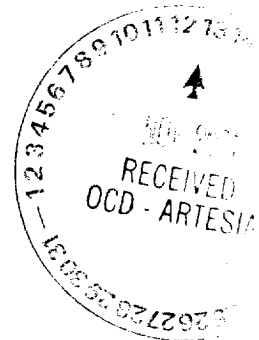
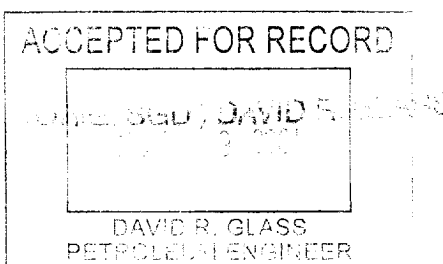
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| 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 Date of 1st Production & Gas Connect |
| | <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 recompleate 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 recompleation 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.)

Date of 1st production and Gas Connect: August 4, 2001

Gas connected to Dagger Draw Gas Processing Plant



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|---|--------------------------------|
| 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 November 5, 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 | |