

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004 0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
 105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 660' FSL & 2310' FWL of Section 34-T20½S-R23E (Unit N, SESW)

5. Lease Designation and Serial No.
 NM-045276

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Preston Federal #25

9. API Well No.
 30-015-30120

10. Field and Pool, or Exploratory Area
 Wildcat Morrow

11. County or Parish, State
 Eddy Co., NM

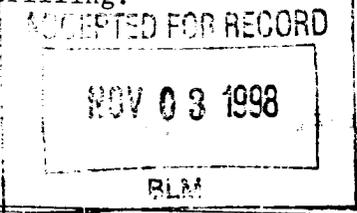
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Casing & cement
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)

TD 8300'. Reached TD at 8:45 PM 10-10-98. Ran 204 joints of 7" 26# & 23# casing as follows: 23 joints of 7" 26# N-80 sandblasted (935.57'); 8 joints of 7" 23# J-55 sandblasted (280.85'); 44 joints of 7" 26# J-55 varnished (1807.92') and 129 joints of 7" 23# J-55 varnished (5282.42') (Total 8306.76') of casing set at 8300'. Float shoe set at 8300'. Float collar set at 8259'. Marker joints set at 7122' and 7102'. Pumped 150 barrels of mud with 125 scf/N2 ahead of 1200 sacks Class C Lite (65-35-6), 1/4#/sack celloflake, .3% FL52, 5#/sack gilsonite and 5#/sack salt (yield 1.97, weight 12.66). Tailed in with 250 sacks Super C Modified, 8#/sack gilsonite, .44#/sack FL52, .44#/sack FL25 and 1/4#/sack celloflake (yield 1.67, weight 13.0). PD 5:41 PM 10-12-98. Bumped plug to 3000 psi for 1 minute, OK. Circulated 186 sacks. WOC. Tested pipe rams to 3000 psi, OK. Tested casing to 500 psi, OK. Drilled out at 7:30 AM 10-14-98. WOC 37 hours and 50 minutes. Reduced hole to 6-1/8". Resumed drilling.



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

Signed Rusty Klein Title Operations Technician Date Oct. 28, 1998

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any: _____

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.