

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Well Name and No. Preston Federal #25
2. Name of Operator YATES PETROLEUM CORPORATION (505) 748-1471	6. Lease Designation and Serial No. NM-045276
3. Address and Telephone No. 105 South 4th St., Artesia, NM 88210	7. If Indian, Allottee or Tribe Name
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 2310' FWL of Section 34-T20½S-R23E (Unit N, SESW)	8. If Unit or CA, Agreement Designation
	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(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"/> 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 Sidetrack info
	<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

13. Describe Proposed or Completed Operations (If 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.)\*

Bottom Hole location after Sidetrack #1 (10-26-98) at a measured depth of 9525' and true vertical depth of 9515' is 817' FSL & 2188' FWL of Section 34-T20½S-R23E.

Plug Back at 8600' measured depth and 8590' true vertical depth. BHL is 811' FSL & 2180' FWL of Section 34-T20½S-R23E.

Sidetrack #2 will be started after plug back and approximately due east such that the Top Morrow Sand at a true vertical depth of 9050' will be cut at 817' FSL & 2405' FWL and total depth of well will be 9850' measured depth and 9560' true vertical depth, with BHL of 824' FSL & 2914' FWL (2366' FEL).

NOTE: Al Springer, Drilling Engineer for Yates, received verbal approval from Tim Gum w/OCD-Artesia on October 28, 1998, for new location (orthodox location).

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

Signed <u>Rusty K. [Signature]</u>	Title <u>Operations Technician</u>	Date <u>Nov. 3, 1998</u>
(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.

\*See Instruction on Reverse Side