

UNITED STATES N.M. Oil Cons. Division
DEPARTMENT OF THE INTERIOR 811 S. 1st St. N
BUREAU OF LAND MANAGEMENT Artesia, NM 88210-2834

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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		5. Lease Serial No. NM-90847
2. Name of Operator Yates Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-948-1471	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FWL of Section 10-T23S-R22E (Unit F, SENW)		8. Well Name and No. Big Freddy Unit #2
		9. API Well No. 30-015-10054
		10. Field and Pool, or Exploratory Area Undesignated 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"/> 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>Re-entry</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.)

12-28-99 - Built location. Dug out cellar and installed new cellar. Cut off dry hole marker. Welded on 10-3/4" starting head.
12-29-99 - Set and tested anchors. Moved in and rigged up pulling unit. Moved in and rigged up re-entry equipment. Nippled up BOP and flowlines.
12-30-99 - TIH with bit, drill collars and tubing. Drilled surface plug and 40' of cement and fell out. TIH and tagged up at 673'. Loaded hole and tested to 500 psi, OK. Started drilling - getting back wood and hard cement. Drilled to 700'. Circulated clean with 9# brine. Pulled 2 joints and shut down for night.
12-31-99 - Drilled to 915' - getting back wood and cement. Circulated hole clean and tested casing to 500#, OK. Pulled 2 joints and shut down. Shut down for New Year's holiday.
1-4-2000 - TIH with 2 joints and began drilling. Drilled out casing plug and drilled to 1058'. Getting back cement and some formation. Circulated clean. TOOH with drillpipe, drill collars and 9-7/8" bit. TIH with 7-7/8" bit, drill collars and drillpipe. Tagged up at 1048'. Had 10' of fill. Rigged up swivel and washed down to 2350' - no cement.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Rusty Klein

Signature

Rusty Klein

CONTINUED ON NEXT PAGE:

Title Operations Technician

Date January 10, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

(ORIG. SGD.) GARY GOURLEY