

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons. DIV. 2
N.M. DIV. 2
301 W. Grand Avenue
Artesia, NM 88210
NM-94589

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

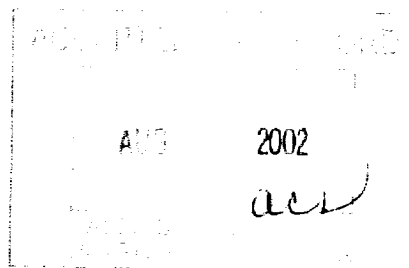
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Ailotee, or Tribe Name
2. Name of Operator Yates Petroleum Corporation		7. If Unit or CA. Agreement Designation
3a. Address 105 South Fourth Street, Artesia, NM 88210	3b. Phone No. (include area code) (505) 748-1471	8. Well Name and No. Chosa ATR Federal #1
4. Location of Well (Footage, Sec., T., R., M. or Survey Description) 2250'FSL & 1060'FWL of Section 8-T25S-R26E		9. API Well No. 30-015-31215
		10. Field and Pool, or Exploratory Area Chosa Draw Morrow
		11. County or Parish, State Eddy County, New Mexico

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"/> 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"/> Altering Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Acidize
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and abandon	<input type="checkbox"/> Temporarily Abandon	
<input type="checkbox"/> Final Abandonment Notice	<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 recomplete horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and sands. Attach the Bond under which the work will be performed or provide the Bond No. on file with the 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 Notice 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.)

7/23/02 Release and trip out with packer and RBP.
7/24/02 Set 4-1/2" AS-1 packer at 11,346' with 1875 F profile nipple.
7/29/02 Acidized Morrow perfs 11,609'-11,651' (91 holes) with 2500 gals 7-1/2% Morrow type acid with Super Flow surfactant and IC HCL with 50% methanol mix in fluid.



14. I hereby certify that the foregoing is true and correct.	
Name (Printed/ Typed) Tina L. Huerta	Title Regulatory Compliance Supervisor
Signature <i>Tina L. Huerta</i>	Date August 7, 2002
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by	Title
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
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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	
(Instructions on reverse)	