## UNITED STATES FORM APPROVED Form 3160-5 DEPARTMENT OF THE INTERIOR (April 2004) OMB No. 1004-0135 OCD-ARTESIA BUREAU OF LAND MANAGEMENT Expires March 31, 2007 SUNDRY NOTICES AND REPORTS ON WEI 5. Lease Serial No. NM-043625 Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals 6. If Indian, Allottee or Tribe Name 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on re 1. Type of Well X Gas Well Other Oil Well 8. Well Name and No. Saguaro AGS Federal Com #2 2. Name of Operator Yates Petroleum Corporation 9. API Well No. 3b. Phone No. (include area code) 30-015-26310 3a. Address 105 S. 4th Str., Artesia, NM 88210 505-748-1471 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., OR Survey Description) Wildcat Bone Spring 11. County or Parish, State 1980'FNL & 1980'FWL of Section 15-T20S-R24E (Unit F, SENW) Eddy County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Water Shut-Off Production (Start/Resume) Deepen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Subsequent Report

Plug and Abandon

X Plug Back

13. Describe Proposed of 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 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.)

Yates Petroleum Corporation plans to plugback and recomplete this well as follows:

Change Plans

Convert to Injection

1. RU all safety equipment as necessary.

Final Abandonment Notice

- 2. Set a 7" CIBP at 7384' with 35' cement on top.
- 3. Set a 7" CIBP at 5344' with 35' cement on top.
- 4. Perforate Bone Spring 4036'-4050' (28), 4062'-4070' (16) and 4076'-4088' (24) for a total of 68 holes. Stimulate as needed.

## SEE ATTACHED FOR CONDITIONS OF APPROVAL

Temporarily Abandon

Water Disposal

14. I hereby certify that the foregoing is true and correct  Name (Printed/Typed)		
Tina Hujerta	e Regulatory Complia	ance Supervisor
Signature ( ) Da  THIS SPACE FOR FEDER	nte December 21, 200  AL OR STATE OFFICE USE	6 APPROVED
Approved by	Title	Date DEC 2 7 2006
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject lea which would entitle the applicant to conduct operations thereon.	ose Office	Mahagaga
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any patters any false, fictitious or fraudulent statements or representations as to any matter v	person knowingly and willbully to make within its jurisdiction	e to any department of egents of the united RAM PETROLEUM ENGINEER

Saguaro AGS Federal Com #2
Yates Petroleum Corporation
Re-completion
December 27, 2006
Conditions of Approval

Step 3 Modify step to include 100' plug across DV Tool as required by NMOCD. This plug would be set from 5318-5418'. Additional cement to be added to 5294' to achieve the 100' plug needed at the top of the Wolfcamp.

WWI 122706