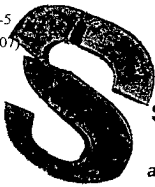


OCD-ARTESIA

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

AUG 27 2007
OCD-ARTESIAFORM APPROVED
OMB No 1004-0137
Expires July 31, 20105 Lease Serial No
NM-95626

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2 Name of Operator

Yates Petroleum Corporation

3a Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1980'FNL & 660'FEL of Section 29-T21S-R22E (Unit H, SENE)

7 If Unit or CA/Agreement, Name and/or No.

8. Well Name and No

Blondie BHI Federal #2

9 API Well No

30-015-00010

10. Field and Pool or Exploratory Area

Undes. Rocky Arroyo; Morrow

11 County or Parish, State

Eddy County, New Mexico

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

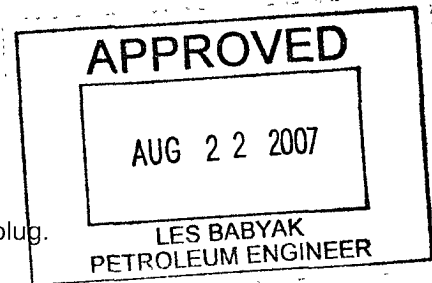
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" 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 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 must be filed with BLM/BIA following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Accepted for record
NMOCD

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. Drill out CIBP at 1700'.
2. Spot a 100' cement plug (50 sx) from 3728'-3828'.
3. Spot a 100' cement plug (50 sx) from 2120'-2220'.
4. Spot a 100' cement plug (25 sx) from 1770'-1870'. Tag plug.
5. Perforate squeeze holes at 236'.
6. Spot a 100' cement plug (35 sx) from 136'-236' inside and outside casing. Tag plug.
7. Perforate squeeze holes at 100'.
8. Circulate 35 sx cement from 100' to surface.
9. Cut off wellhead and install marker and clean up location as per regulated.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

August 10, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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 to 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 page 2)

WELL NAME: Blondie BHI Fed #2 FIELD: Undesignated Rocky Arroyo

LOCATION: 1980' FSL & 660' FEL of Section 29-21S-22E Eddy Co., NM

GL: 4,666' ZERO: _____ KB: 4,671'

SPUD DATE: _____ COMPLETION DATE: _____

COMMENTS: API No.: 30-015-00010

CASING PROGRAM

13 3/8" 48# (from strip log)	186'
8 5/8" 32#, J-55	1,820'

17 1/2" Hole

11" Hole

7 7/8" Hole

13 3/8" @ 186' w/ 50 sxs
from strip log

Before

TOPS

SA 230'
Glorieta 2,170'
Upper Yeso 2,250'
Tubb 3,180'
Yeso 3,262'
Abo 3,778'

8 5/8", 32# CIBP @ 1,700'

8 5/8" @ 1,820' w/ 500 sxs
tested to 1000# with no break,
casing shut - off tested O.K.

Open hole T.D. @ 4,407'

**Accepted for record
NMOCD**

Not to Scale
6/25/07
Moss

TD: 4,407'

WELL NAME: Blondie BHI Fed #2 FIELD: Undesignated Rocky Arroyo

LOCATION: 1980' FSL & 660' FEL of Section 29-21S-22E Eddy Co., NM

GL: 4,666' ZERO: KB: 4,671'

SPUD DATE: COMPLETION DATE:

COMMENTS: API No.: 30-015-00010

CASING PROGRAM

13 3/8" 48# (from strip log)	<u>186'</u>
8 5/8" 32#, J-55	<u>1,820'</u>

Cement plug 0' - 100'
(Tag Plug)

17 1/2" Hole

Cement plug 136' - 236'
(Tag plug)

13 3/8" @ 186' w/ 50 sxs
from strip log

After

11" Hole

Cement plug 1,770' - 1,870'
(Tag plug)

8 5/8", 32# CIBP @ 1,700'

8 5/8" @ 1,820' w/ 500 sxs,
EST TOC surface +/-,
tested to 1000# with no break,
casing shut - off tested O.K.

TOPS

SA	230'
Glorieta	2,170'
Upper Yeso	2,250'
Tubb	3,180'
Yeso	3,262'
Abo	3,778'

7 7/8" Hole

Cement plug 2,120' - 2,220'

Cement plug 3,728' - 3,828'

Open hole T.D. @ 4,407'

**Accepted for record
NMOCD**

Not to Scale
6/25/07
Moss

TD: 4,407'