

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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

RECEIVED
MAY 06 2004

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
SOUTH WEST Royalties, Inc.

3a. Address
Box 11390 Midland, Tx 79702

3b. Phone No. (include area code)
432) 686-9927

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**660' FSL & 1980' FEL
Sec. 23, T19S, R30E**

5. Lease Serial No.
NM06765

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
8910088950

8. Well Name and No.
N Hackberry YATES 116

9. API Well No.
30 015 04620

10. Field and Pool, or Exploratory Area
HACKBERRY Y SR North

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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input type="checkbox"/> Other

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 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.)

Notify the BLM OFFICE 24 hrs. Prior to Commencing P/A of Well.

- <1> Circulate the 4 1/2" Csg w/ MLF.**
- <2> PERF 4 1/2" Csg @ 600' & pump 25 SXS. class "C" cement (600-500)*WOC & TAG**
- <3> Pump 15 SXS. cement (100'-0'). RDPH.**
- <4> Cut off Well Head, cover collar, install dry Hole marker, rip & re-seed location, & Berm road.**

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

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

Name (Printed/Typed) **NELSON PATTON** Title **Area Supervisor**

Signature **Nelson Patton** Date **4/28/04**

MAY - 4 2004

LES BABYAK
PETROLEUM ENGINEER

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.

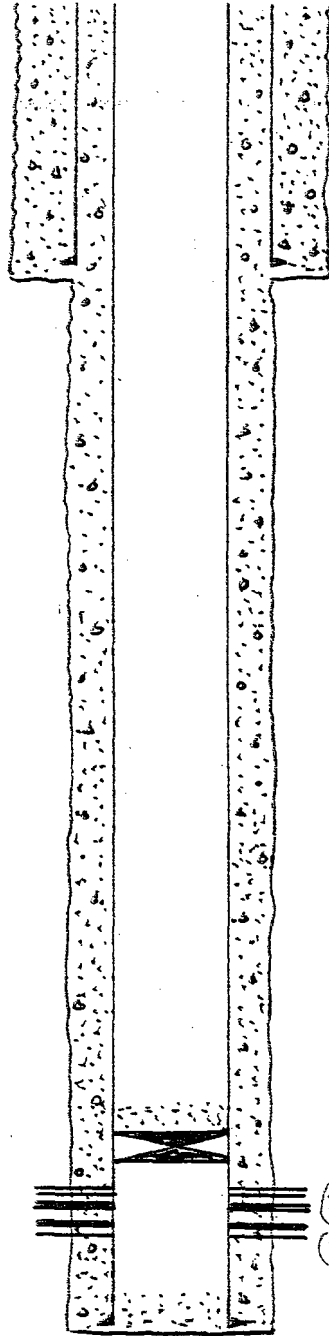
Office _____

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 reverse)

N HACKberry YATES #116
660' FSL = 1980' FEL
Sec. 23, T19S, R30E
Eddy Co., NM

Spud: 3/17/61



3 5/8" - 24# CS9 @ 551'
CMT'D w/ 260 SXS
<circ'd>

(4/86) Set CIBP
@ 1740' & dump
Bail 3 sxs cement
on top

<3/61>
FAC: 30,000 gal/s. LEASE air
w/ 60,000# 20/40

PBD @
1917'

(3/61) Abrasi-jet slots @ 1780' & 1793'
(7/83) Perf: 1771-75; 1779-83; 1791-95

4 1/2" - 9.5# CS9 @ 1930'
CMT'D w/ 330 SXS.
<circ'd>

TD @ 1930'

Current Condition

N HACKberry YATES #116
 660' FSL @ 1980' FEL
 Sec. 23, T19S, R30E
 Eddy Co., NM

Spud: 3/17/61

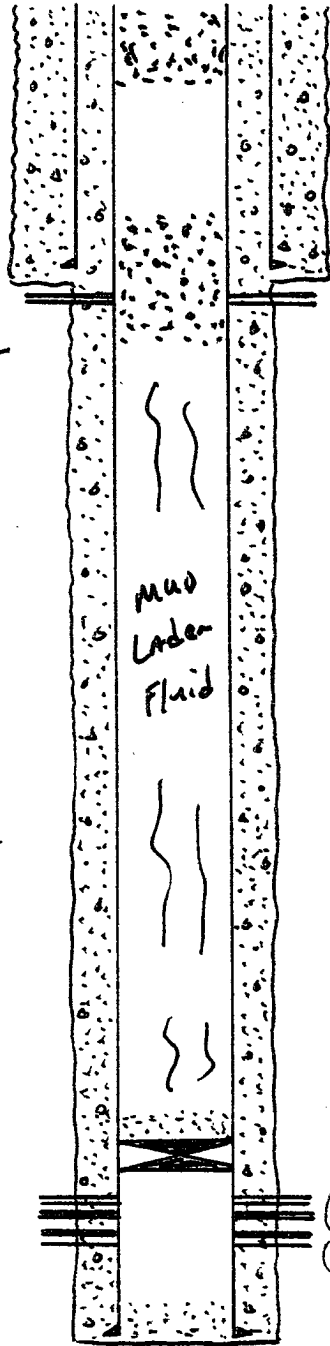
15 SXS. 'C' cement
 100' - 0'

Perf 4 1/2" CS₉ @ 600'
 & pump 25 SXS "C" CMT
 (600 - 500)
 WOC @ TAG

(4/86) Set CIBP
 @ 1740' & dump
 Bail 3 SXS cement
 on top

(3/61)
 FAC: 30,000 gal/s. Leak oil
 w/ 60,000# 20/40

PSTD @
 1917'



8 5/8" - 24# CS₉ @ 551'
 CMT'D w/ 260 SXS
 <circ'D>

(3/61) Abrasi Jet slots @ 1780' & 1793'
 (7/83) Perf: 1771-75; 1779-83; 1791-95

4 1/2" - 9.5# CS₉ @ 1930'
 CMT'D w/ 330 SXS.
 <circ'D>

TD @ 1930'

Proposed P: A