

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NM-0925

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
South Loco Hills Unit #21

9. API Well No.
30-015-03523

10. Field and Pool, or Exploratory Area
Loco Hills, QN,GRB, SA

11. County or Parish, State
Eddy, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Yates Drilling Company

3a. Address
105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)
505-748-8463

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)
660' FSL & 1980' FWL Section 20-18S-29E

RECEIVED
AUG 26 2004
OCD-ARTESIA

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 checked="" 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 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 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.)

- 8/3/2004 RUPU. POH with rods, pump and tubing. Frac'd perforations 2380' - 2456' with 5,000 gals, 15% NEFE HCL acid with 33,360# 16/30 prop. Flowed well back.
- 8/6/2004 RIH with MJ perf. Sub., seating nipple and 75 jts. 2 3/8", J-55 tbg. Seating nipple at 2403'.
- 8/7/2004 RIH with rods and pump and returned well to production.

ACCEPTED FOR RECORD
AUG 24 2004
ALEXIS C. SWOBODA
PETROLEUM ENGINEER

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

Name (Printed/Typed) **Karen J. Leishman** Title **Engineering Technician**

Signature *Karen J. Leishman* Date **8/20/2004**

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 _____