

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

RECEIVED

FEB 13 2006

2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

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)

330'FSL & 330'FEL of Section 7-T22S-R31E (Unit P, SESE)

5. Lease Serial No.

NM-81952

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Llama ALL Federal #6

9. API Well No.

30-015-34299

10. Field and Pool, or Exploratory Area

Wildcat Bone Spring

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

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Spud, Surface

and Intermediate

casing

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 recomplate 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 recomplate 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.)

1/20/06 Spudded well at 5:00 PM. Set 40' of 20" conductor.

1/23/06 Resumed drilling at 12:45 AM.

1/24/06 Set 13-3/8" 48# H-40 casing at 728'. Cemented with 530 sx Halliburton Lite Premium "C" + .375#/sx Flocele + 2% CaCl₂ (yld 1.35, wt 14.8). Tailed in with 250 sx Halliburton Lite Premium "C" + 2% CaCl₂ (yld 1.35, wt 14.8). Cement circulated to surface. Tested casing to 1000 psi for 30 min. WOC 29 hrs 30 min. Reduced hole to 11" and resumed drilling.

1/29/06 Set 8-5/8" 32# J-55 casing at 3903'. Cemented stage 1 with 140 sx Halliburton Lite Premium + "C" + .25#/sx Flocele + 2% CaCl₂ (yld 1.98, wt 12.5). Tailed in with 200 sx Premium "C" + 2% CaCl₂ (yld 1.35, wt 14). Cemented stage 2 with 860 sx Halliburton Lite Premium + "C" + .25#/sx Flocele + 2% CaCl₂ (yld 1.35, wt 12.5). Tailed in with 100 sx Premium "C" + 2% CaCl₂ (yld 1.98, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 50 hrs 15 min. Reduced hole and resumed drilling.

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

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Tina Huerta

Date February 2, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

Date

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

