

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000**EC****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.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM92146
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 105 S 4TH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505.748.4168 Fx: 505.748.4585		8. Well Name and No. ARLEY FEDERAL UNIT 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T20S R23E NESW 1343FSL 1911FWL		9. API Well No. 30-015-32684-00-X1
		10. Field and Pool, or Exploratory UNKNOWN
		11. County or Parish, and State EDDY COUNTY, NM

**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 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 recompleat 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 recompleat 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.)

5/16/03 Cement did not circulate on the 8-5/8" casing. Ran 1" cement to surface with 385 sx. WOC 75 hrs and 15 mins. Reduced hole to 7-7/8" and resumed drilling.

5/29/03 Lost returns at 6953'. Never regained more than 25% returns before plugging tools.

5/31/03 Set 100 sx cement plug at 6710'. Tailed in with 100 sx Premium Plus Neat.

6/1/03 Cemented at 6233' with 50 sx Premium 10% CalSeal with additives. Tailed in with 100 sx Premium Neat.

6/2/03 Reamed from 5769'-6390'.

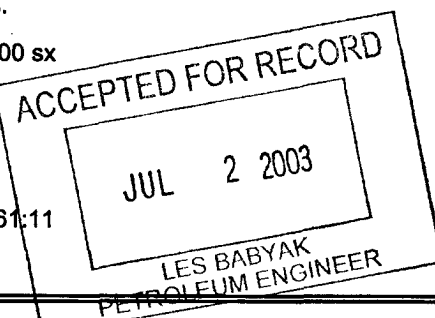
6/3/03 Reaming from 6390'-6920'. Regained near full returns at 6920'.

6/4/03 Reamed from 6920'-7000'. Regained full returns.

6/6/03 Washed and reamed from 6874'-7160'.

6/7/03 Reamed 7160'-7350'.

6/8/03 Set 5-1/2" 15.5# & 17# casing at 7350'. Cemented in 2 stages: Stage 1: 180 sx 15:61:11



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

Electronic Submission #23266 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by Linda Askwig on 06/28/2003 (03LA0663SE)

Name (Printed/Typed) TINA HUERTA

Title REG COMPLIANCE SUPERVISOR

Signature (Electronic Submission)

Date 06/27/2003

**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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #23266 that would not fit on the form**

**32. Additional remarks, continued**

with additives. Circulated thru DV tool for 2 hrs. Stage 2: 650 sx 35:65:6 with additives.  
Cement did not circulate.  
6/20/03 Reached TD 8470' at 10:00 PM.  
6/22/03 Set 3-1/2" 9.2# casing at 8460'. Cemented with 90 sx 15:61:11 with additives.