

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.

5. Lease Serial No.
NM-94589

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Chosa ATR Federal Com #3

9. API Well No.

30-015-34441

10. Field and Pool, or Exploratory Area

Undes. Chosa Draw; Morrow

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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'FSL & 1650'FEL of Section 17-T25S-R26E (Unit J, NWSE)

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 <u>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operations and</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>1st production</u>

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.)

- 4/8/06 Check pressure on backside of 5-1/2" casing. Pressure was 1000 psi at 9:00 AM. Bled pressure down to 800 psi. Pressure increased back to 1000 psi in 15 min. Pressure was 1000 psi at 2:00 PM.
- 4/24/06 Perforate 4 squeeze holes at 9120'. Established circulation thru squeeze holes and between 5-1/2" and 9-5/8" casing. Circulated hole clean.
- 4/25/06 Set 5-1/2" 17# wireline cement retainer at 9055'.
- 4/26/06 Pumped 1100 sx Lite cement with 5% salt + 3/10% FL-52 + 1#/sx LCM-1 and 250 sx cement with 6/10% FL-52 + 6/10% FL-25 + 1#/sx LCM-1 + 5% salt C-Neat and 50 sx Class "C" Neat. Pumped cement thru retainer at 9055' and squeeze holes at 9120'. Circulated cement. WOC.
- 6/5/06 Drilled out cement retainer at 9055'. Circulated hole clean.
- 7/27/06 Tested 5-1/2" casing from 9256'-12,028'. Tested to 2500 psi and held for 30 min, held good. Tested 5-1/2" casing from surface-9045' to 2000 psi, held good.

CONTINUED ON NEXT PAGE:

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

Name (Printed/Typed)

Tina Huerta

Title **Regulatory Compliance Supervisor**

Signature

Date **April 13, 2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

DAVID R. GLASS

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

Accepted for record - NMOC

8/29/06

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

Yates Petroleum Corporation
Chosa ATR Federal Com #3
Section 17-T25S-R26E
Eddy County, New Mexico

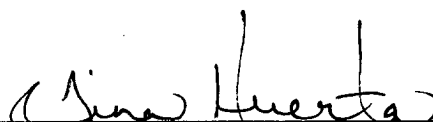
Form 3160-5 continued:

7/28/06 Squeeze holes at 9120'. NOTE: Swabbing out of squeeze holes at 9120'. Attempted to pump into squeeze holes at 9120'. Pressured up to 3000 psi. Would not take any fluid. Bleed pressure off.

8/1/06 Perforate Morrow 11,518'-11,522' (25), 11,528'-11,532' (25), 11,582'-11,598' (97) and 11,610'-11,620' (37). Acidize with 2500g 7-1/2% Morrow acid and 500 balls.

8/8/06 Date of 1st production - Morrow

8/14/06 Frac Morrow with 78,591g 40# 60Q CO2 foam and 59,410# 18/40 Ultraprop.


Regulatory Compliance Supervisor
August 17, 2006

