

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

OCD-ARTESIA

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-17100

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Stonewall DS Federal #2

9. API Well No.
30-015-21640

10. Field and Pool, or Exploratory Area
Avalon Bone Springs, East

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 P&A

RECEIVED
JUL - 3 2006
MOUNTAIN VIEW

2. Name of Operator
Yates Petroleum Corporation

3a. Address 3b. Phone No. (include area code)

105 S. 4th Str., Artesia, NM 88210 **505-748-1471**

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1980'FSL & 1980'FEL of Section 29-T20S-R28E (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 type="checkbox"/> Other _____
	<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	

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.)

- 6/13/06 Well started flowing water and small oil cut. Flowed 45 min. RIH with tubing to 2552'. Circulated 10# mud. Killed well and RIH to 6256'. Opened perfs at 5750'. POOH to 5750'. Spotted 25 sx cement at 5750'.
- 6/14/06 Tagged at 6168'. Re-set plug. Spotted 25 sx cement with 2% CaCl at 5748'. WOC. Tagged at 5527'. Perforated at 4260'. Spotted 40 sx cement at 4287'.
- 6/15/06 Tagged at 3992'. Circulated 10# mud. Perforated at 2870'. Spotted 40 sx cement at 2858'. WOC. Tagged at 2528'. Perforated at 606'. RIH with tubing to 635'. Pumped 20 bbls - no circulation. Spotted 40 sx cement at 635'.
- 6/16/06 Tagged at 642'. Spotted 40 sx cement at 635'. WOC 3-1/2 hrs. No tag. Pumped 3 bbls, gas blow on back-side. Spotted 40 sx cement.
- 6/19/06 Perforated at 565'. Spotted 25 sx cement with 2-1/2% CaCl at 565'. WOC. Tagged at 354'. Perforated at 150'. Circulated 37 sx at 150' to surface. Casing full. Installed dry hole marker. NOTE: BLM witnessed and OK'd plugs. **WELL IS PLUGGED AND ABANDONED. FINAL REPORT.**

Please notify Mark Hoskins (505-703-3308) 3 days prior to BLM inspection, so we have the opportunity to meet with the inspector on location to confirm all reclamation requirements before receiving the notice of written order.

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

Name (Printed/Typed) **Tina Huerta** Title **Regulatory Compliance Supervisor**

Signature *Tina Huerta* Date **June 21, 2006**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE **JUN 29 2006**

Approved by _____ Title _____ Date _____

Office **GARY GOURLEY
PETROLEUM ENGINEER**