

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.

Month - Year
FEB - 5 2007
OCD - ARTESIA, NM

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'FNL & 1980'FWL of Section 15-T20S-R24E (Unit F, SENW)

5. Lease Serial No.

NM-043625

6. If Indian, Allottee or Tribe Name

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

NM 82538

8. Well Name and No.

Saguaro AGS Federal Com #2

9. API Well No.

30-015-26310

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			
<input checked="" 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 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.)

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. RIH with gauge ring and junk basket to +/-3995'.
2. Set a 7" CIBP at 3986' with 35' cement on top.
3. Spot 100' cement plug (25 sx) across the Glorieta from 1932'-2032'.
4. Spot 100' cement plug (25 sx) from 1169'-1269'. Tag plug.
5. Spot 100' cement plug (25 sx) from 100' to surface. Tag plug.
6. Cut off wellhead and install dry hole marker as per regulated.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Accepted for record
NMOC

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Tina Huerta	Title Regulatory Compliance Supervisor
Signature <i>Tina Huerta</i>	Date January 16, 2007
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved by _____	Title _____
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 an official of the Department of the Interior any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction	

APPROVED

FEB 1 2007

FREDERICK WRIGHT

PETROLEUM ENGINEER

WELL NAME: Saguaro AGS Federal #2 FIELD: Dagger Draw
 LOCATION: 1,980' FNL & 1,980' FWL of Section 15-20S-24E Eddy Co., NM
 GL: 3,677' ZERO: KB: 3,694
 SPUD DATE: 4/9/90 COMPLETION DATE: 6/22/90
 COMMENTS: API No.: 30-015-26310

CASING PROGRAM

9-5/8" 36# J55 sTC	1,219'
7" 26# J55/N80	9,440'

Before

TOPS

SA	456'
Glorieta	1,982'
Yeso	2,055'
BS	3,332'
Abo	4,626'
WC Lm	5,394'
Canyon	7,434'
Strawn	8,069'
Atoka	8,680'
Morrow Cl	9,036'
Chester	9,344'

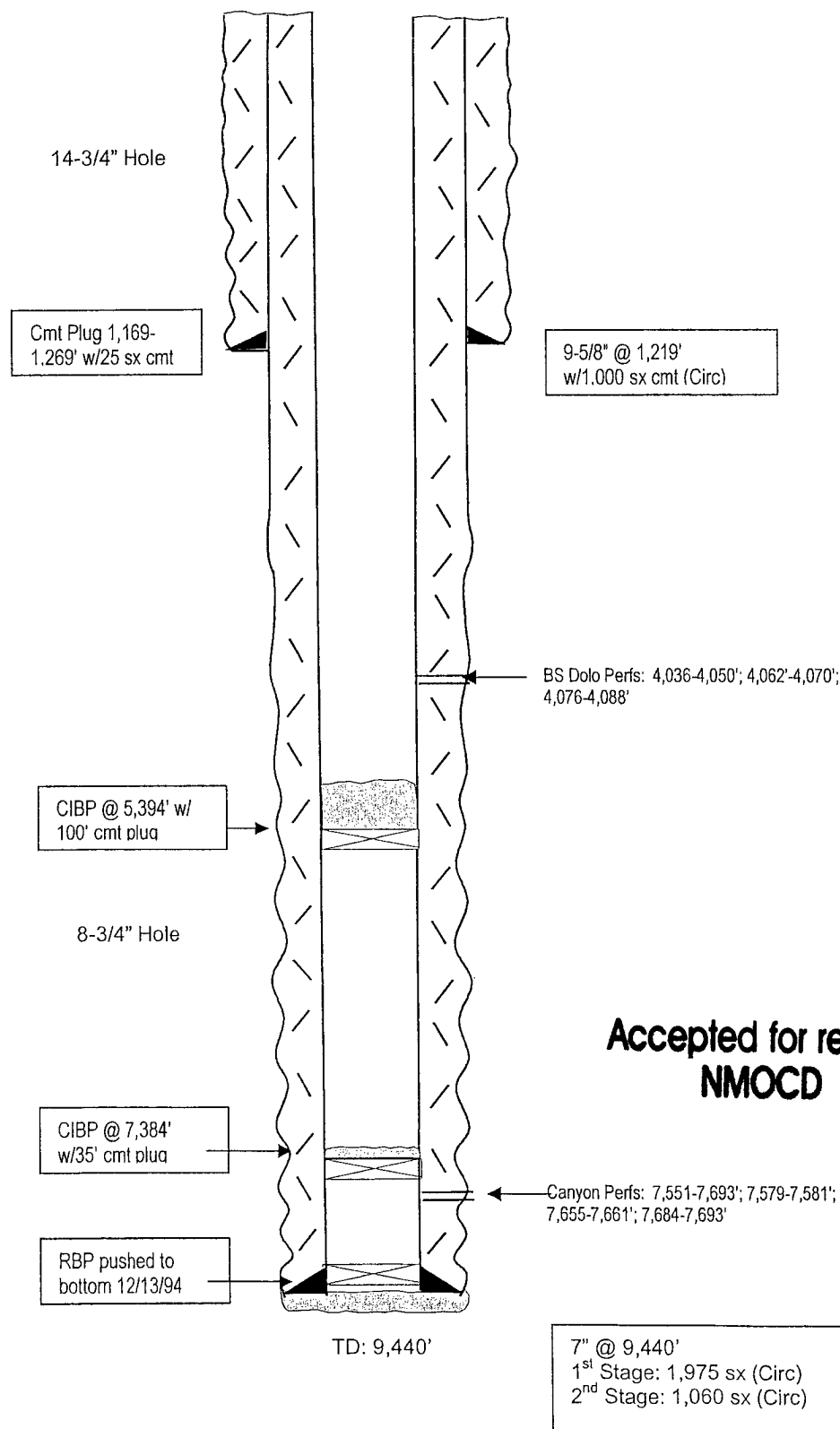
Comments:

4/28/90 DST #1 6,864-6,951'
 5/2/90 DST #2 7,236-7,299'
 5/25/90 Perf 7,551-7,693'
 5/25/90 Acidize 7689-7,693' w/
 300 g 20%
 7,655-7,661' w/ 300 g
 7,579-7,581' w/ 300 g
 7,551-7,955' w/300 g
 Swab 7,551'-7,693' F
 809# x1/2"
 12/13/97 AFE shows RBP was
 stuck in DV & pushed to bottom

**Accepted for record
NMOC**

Not to Scale

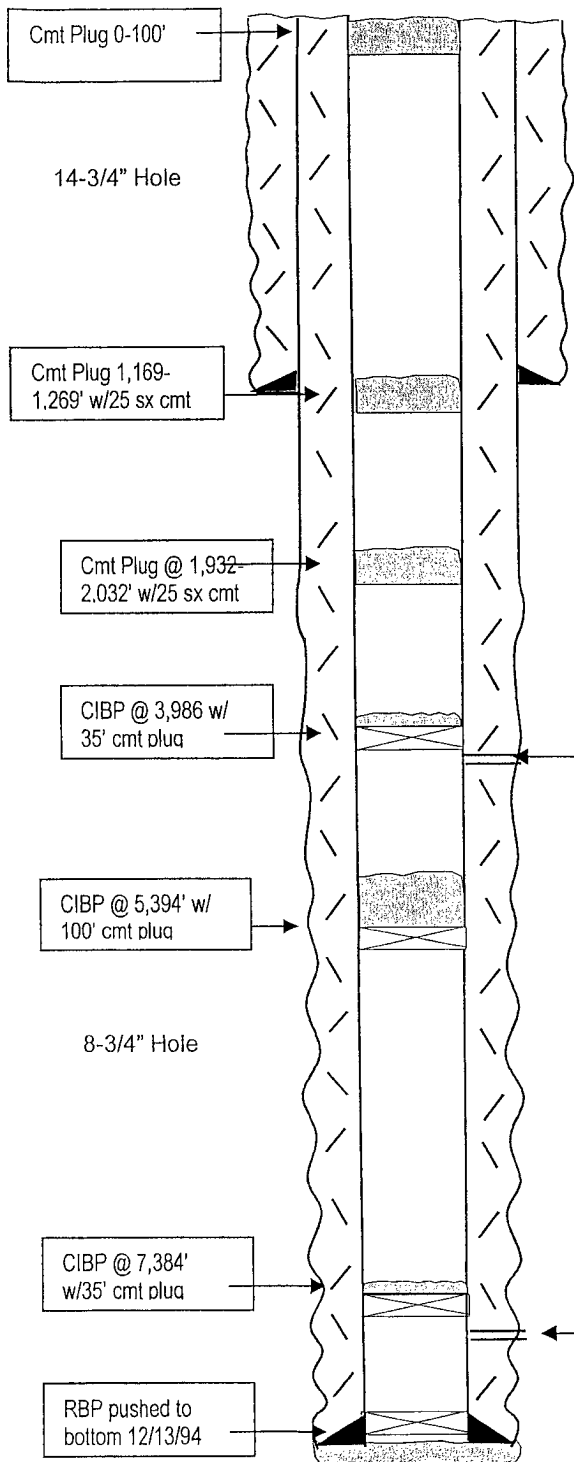
1/4/07
DC/Moss



WELL NAME: Saguaro AGS Federal #2 FIELD: Dagger Draw
 LOCATION: 1,980' FNL & 1,980' FWL of Section 15-20S-24E Eddy Co., NM
 GL: 3,677' ZERO: KB: 3,694
 SPUD DATE: 4/9/90 COMPLETION DATE: 6/22/90
 COMMENTS: API No.: 30-015-26310

CASING PROGRAM

9-5/8" 36# J55 sTC	1,219'
7" 26# J55/N80	9,440'



Accepted for record
NMOCD

After

TOPS

SA	456'
Glorieta	1,982'
Yeso	2,055'
BS	3,332'
Abo	4,626'
WC Lm	5,394'
Canyon	7,434'
Strawn	8,069'
Atoka	8,680'
Morrow Cl	9,036'
Chester	9,344'

Comments:

4/28/90 DST #1 6,864-6,951'
 5/2/90 DST #2 7,236-7,299'
 5/25/90 Perf 7,551-7,693'
 5/25/90 Acidize 7689-7,693' w/
 300 g 20%
 7,655-7,661' w/ 300 g
 7,579-7,581' w/ 300 g
 7,551-7,955' w/300 g
 Swab 7,551'-7,693' F
 809# x1/2"
 12/13/97 AFE shows RBP was
 stuck in DV & pushed to bottom

Not to Scale

1/4/07

DC/Moss

TD: 9,440'

7" @ 9,440'
 1st Stage: 1,975 sx (Circ)
 2nd Stage: 1,060 sx (Circ)

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to P/A this well with the following modifications to the program:
2. Add a plug for the top of the Bone Spring @ 3332'.

*** All plugs, including the surface plug, should leave at least 25 sacks of cement inside the casing and be at least 100 feet, plus an additional 10% for each 1000 feet of depth.**

All of the work approved here must be completed within 90 days

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 2/1/07

**Accepted for record
NMOCD**