

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

Month - Year
MAR 12 2007
OCD - ARTESIA, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter an
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 Plugged and Abandon

2 Name of Operator

Yates Petroleum Corporation

3a. Address

105 S.4th St-Artesia, NM 88210

3b. Phone No.(include area code)

505-748-1471

4 Location of Well

(Footage, Sec., T., R., M., OR Survey Description)

Sec. 31-T19S-R24E

NWSE

5. Lease Serial No.

NM-76936

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Sunflower AHW Federal #5

9. API Well No.

30-015-28160

10. Field and Pool, or Exploratory Area

Siegreest Draw Abo

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

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

Well Integrity

☐ Subsequent Report

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Other

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

☒ Final Abandonment Notice

☐ Convert to Injection

☐ Plug Back

☐ 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 to 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 completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corp. respectfully requests final abandonment approval and the release of liability under bond. All Yates Petroleum Corp. requirements for reclamation have been met.

Attached is the land owner release.

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Michelle Taylor

Title

Reg. Comp. Mgr

Signature

Michelle Taylor

Date

June 29, 2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ James A. Amos

Title

Date

MAR 11 2007

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

CARLSBAD FIELD 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

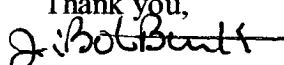
States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Barbara Runyan Ranch LLC
PO Box 1415
Hope, N.M. 88250

Yates Petroleum Co.
Attn. Cy Cowan
105 South 4th Street
Artesia, N.M. 88210

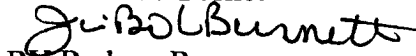
Dear Sir:

I am writing to inform you that Barbara Runyan Ranch LLC is accepting full interest and responsibility in the Sunflower #3 Well that Yates Petroleum abandoned and plugged on July 17, 2006. The Sunflower is located in Section 31 of Township 19S, Range 24E of Unit J. Barbara Runyan Ranch LLC acknowledges that Yates Petroleum is free of any legal action or responsibility with regards to the Sunflower Well #3 from this date forward and that Barbara Runyan Ranch LLC accept full responsibility.

Thank you,

Jim Bob Burnett
Manager

AGREED TO AND ACCEPTED JULY 17, 2006

BY Jim Bob Burnett



BY Barbara Runyan

