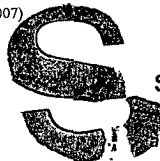


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

## 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.

5 Lease Serial No

NM-14459

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

SEP 19 2007

2 Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

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

8 Well Name and No

Mescal SE Federal #2

9 API Well No

30-015-35509

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)

190'FSL &amp; 760'FWL of Section 18-T21S-R22E (Unit M, SWSW) Surface Location

1077'FSL &amp; 696'FWL of Section 18-T21S-R22E (Unit M, SWSW) BHL

10 Field and Pool or Exploratory Area

Little Box Canyon; Morrow

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 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

8/6/07 TOC at 6860' estimated. Perforate Morrow 8441'-8444' (24). Acidize with 500g 7-1/2% HCL MSA with 20 ball sealers.

8/9/07 Set a 5-1/2" CIBP at 8430' with 25' cement on top.

8/12/07 Perforate Morrow 8362'-8378' (102). Acidize with 1500g 7-1/2% HCL MSA with 90 ball sealers. Set a 5-1/2" 17# AS-1 packer with 2 25" on/off tool at 8173'.

9/6/07 Date of 1st production - Morrow

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Date September 11, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ 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 hereon.

Office

Title 18 U.S.C. Section 1001 and Title 18 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.

(Instructions on page 2)