

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.

S

5 Lease Serial No.

NM-21012

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

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Oil Well

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Gas Well

☐

Other

NOV 13 2007

2 Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

8 Well Name and No.

Federal HQ #3

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

9. API Well No.

30-015-35704

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

Surface - 1022'FNL & 2536'FEL of Section 32-T20.5S-R22E (Unit B, NWNE)

BHL - 1260'FNL & 950'FEL of Section 5-T21S-R22E (Unit A, NENE)

10. Field and Pool or Exploratory Area

Undes. 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>Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Casing</u>
	<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 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.

10/17/07 Resumed drilling at 8:00 PM.

10/25/07 Set 9-5/8" 36# J-55 casing at 1622'. Cemented with 150 sx Thixotropic + 1% CaCl₂ + 10#/sx Cal-seal + 10#/sx Gilsonite + 0.125#/sx Polyflake (yld 1.63, wt 14) and 890 sx Halliburton Lite Premium Plus "C" + 1% CaCl₂ + 0.2% CFR + 5#/sx Gilsonite + 0.125#/sx Polyflake (yld 2, wt 12.4). Tailed in with 200 sx Class "C" + 2% CaCl₂ (yld 1.32, wt 14.8). Cement did not circulate. WOC. Ran temperature survey to find TOC at 600'. Ran 1" cement to surface with 500 sx Class "C" + 2% CaCl₂. Tested casing to 1500 psi for 30 min. WOC 60 hrs 30 min. Reduced hole to 8-3/4" and resumed drilling.

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

(Signature of Tina Huerta)

Date September 10, 2007

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

NOV 7 2007

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

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.