**UNITED STATES** FORM APPROVED Form 3160-5 (June 1990) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM-54987 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well Oil S Gas Well 8. Well Name and No. 2. Name of Operator Hansel ANH Fed Com #1 YATES PETROLEUM CORPORATION (505) 748-1471)9. API Well No. 3. Address and Telephone No. 30-005-63031 105 South 4th St., Artesia, NM 88210 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Pecos Slope Abo 2110' FNL & 940' FEL of Section 7-T6S-R26E (Unit H, SENE) 11. County or Parish, State Chaves Co., NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion **New Construction** X Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Other Production casing Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\* TD 4265'. Reached TD at 10:45 PM 6-11-97. Ran 96 joints of 4-1/2" 10.5# J-55 (4269.11') of casing set at 4269'. Float shoe set at 4269'. Float collar set at 4215'. Bottom marker set at 3676'. Cemented with 50 sacks "C", 3% SM and 1/4#/sack celloflake (yield 2.87, weight 11.4). Tailed in with 350 sacks Super C Modified, 3/10% FL-52, 4#/sack salt and 8#/sack gilsonite (yield 1.71, weight 13.0). PD 1:00 PM 6-12-97. Bumped plug to 1250 psi for 1 minute, OK. WOC. Released rig at 5:00 PM 6-12-97. NOTE: Displaced with 2% KCL. ACCEPTED FOR RECORD PETER W. CHESTER Waiting on completion unit. FUREAU OF LAND MANAGEMENT ROSWELL RESOURCE AREA June 26, 1997 Operations Technician 

or representations as to any matter within its jurisdiction

Title 18 U.S.C. Section 1001, makes 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