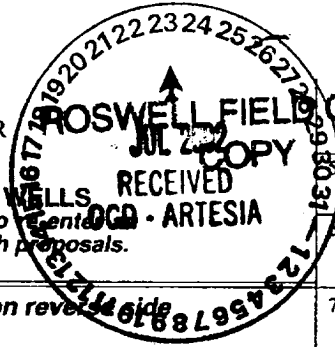


C/SF

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to abandon a well. Use Form 3160-3 (APD) for such proposals.

Lease Serial No.
LC-051102A

If Indian, Allottee or Tribe Name

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

Well Name and No.
Ballard A #1

API Well No.
30-015-03237

Field and Pool, or Exploratory Area
Loco Hills-Queen-GB-SA

County or Parish, State
Eddy Co., 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 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)
2310' FSL & 330' FEL of Section 1-T18S-R29E (Unit I, NESE)

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 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 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 shall 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 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.)

4-1-3-2000 - Drove to location. Tried to break down valve - casing turned. Casing was parted 7' down. Got backhoe to dig out wellhead. Found casing 9' down. Shut down.

4-4-14-2000 - Shut down.

4-15-17-2000 - Moved in and rigged up pulling unit. Worked plug from 6' to 15'. Shut down for night.

4-18-2000 - Installed wellhead. Nippled up BOP. Rigged up floor and 2-7/8" tubing equipment. RIH with 1 joint with notched collar. Made 10' of hole. Shut well in.

4-19-2000 - Shut in. Waiting on reverse unit equipment.

4-20-2000 - Moved in and rigged up reverse unit equipment. Started drilling at 12'. Went to 100'. Lost circulation. Started coming out of ground at 10' from wellbore. Had to pump long way. Cleaned out to 400'. Circulate well clean. Laid down swivel. POOH with bit. Shut well in.

4-21-2000 - TIH with bit and tagged up at 388'. Drilled out to 1290'. Circulated hole clean. POOH with bit. Shut well in.

4-22-24-2000 - RIH with bit and tagged up at 1290'. Drilled out to 1384'. Circulated hole

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Rusty Klein Title Operations Technician

Signature *Rusty Klein* Date October 2, 2000

CONTINUED ON NEXT PAGE:

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (ORIG. SGD.) DAVID R. GLASS PETROLEUM ENGINEER Date MAR 13 2001

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 Approved as to plugging of the well stop. Liability under bond is retained until surface restoration is completed.

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.