

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007

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 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)

Unit O, 330' FSL & 1650' FEL Sec 20-T23S-R32E

5. Lease Serial No.

NM-77063

6. If Indian, Allottee or Tribe Name

N/A

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

N/A

8. Well Name and No.

Continental APJ Federal 8

9. API Well No.

30-025-37089

10. Field and Pool, or Exploratory Area

Diamondtail; Delaware

11. County or Parish, State

Lea, NM

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Completion
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Operations

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

12-19-05 Drilled cement and metal to 8695'. Ran CBL.

1-5-06 Perforated squeeze holes @ 7550' and 6800'. Set retainer @ 7500'.

1-9-06 Pumped 200 sx Class "H" w/4% fluid loss. WOC.

1-10-06 Pumped 200 sx Class "H" w/5% FL. Reversed 3 sx to pit.

1-12-06 Drilled out retainer and tested to 500#. Squeezed perfs @ 6800' did not squeeze off. Cleaned out to 6810'.

1-13-06 Ran CBL. TOC @ 7310'.

1-16-06 Set retainer @ 6750'. Squeezed 300 sx "H" w/4% Halad 9. Squeezed to 1700#.

1-18-06 Drilled out retainer. Cleaned out to 6820'. Tested to 1500# for 15 mins.

1-19-06 Ran CBL. Perforated Brushy Canyon 8424-46' (23), 8544-50' (7) and 8580-98' (19).

1-27-06 Frac Brushy Canyon w/75000 gal 20# X-link and 90000# 20/40 Ottawa and 50000# 20/40 RCS. Set composite BP @ 8250'. Perforated Brushy Canyon 8052-58' and 8196-8200' (4 SPF). Frac w/45000 gal 20# X-link and 95000# 20/40 Ottawa and 30000# RCS.

1-30-06 Perforated Brushy Canyon 7288-94', 7370-80', 7410-14' and 7444-52' (32). Acidized bottom perfs w/500 gal 7-1/2%. Acidized 7288-7414' w/1200 gal 7-1/2% IC acid.

2-2-06 Set retainer @ 7253'. Squeezed 7288-7452' w/250 sx Class H. Squeezed to 2000#. (238 sx in formation)

2-6-06 Drilled out retainer. Drilled out cement to 7556' and fell out of cement. Tested to 1000#. Held ok.

2-8-06 Drilled out composite bridge plug.

2-7/8" tubing @ 8250'

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Stormi Davis

Title

Regulatory Compliance Technician

Signature

Date

2/27/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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