Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR

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

OCD-HOBBS. Lease Serial No

BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS NM-94095 Do not use this form for proposals to drill or reenter an 6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/o SUBMIT IN TRIPLICATE - Other instructions on reverse side Type of Well Well Name and No. X Oil Well Gas Well U Other Name of Operator Caper BFE Federal #5 9. API Well No. Yates Petroleum Corporation Address Phone No. (include area code) 30-025-37448 10. Field and Pool, or Exploratory Area (505) 748-1471 105 South Fourth Street, Artesia, NM 88210 Location of Well (Footage, Sec., T., R., M., or Survey Description) Wildcat Bone Springs 11. County or Parish, State 1650' FSL & 1,650' FEL, Unit Letter J Section 17, T21S-R32E Lea, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Notice of Intent Water Shut-Off Acidize Deepen Fracture Treat Reclamation Well Integrity Alter Casing Other Variance Subsequent Report Casing Repair New Construction Recomplete Change Plans Plug and Abandon Temporarily Abandon to BOP test. Final Abandonment Notice Water Disposal Convert to Injection Plug Back 13. Describe Proposed or Completed Operations (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 zone. 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.) Yates Petroleum Corporation respectfully requests a variance to test the 13 3/8" casing and 2000psi BOP to 700psi prior to drilling out to the casing shoe. Surface casing will be set at approximately 2006 LES BABYAK PETROLEUM ENGINEER Thank-You, I hereby certify that the foregoing is true and correct Name (Printed/Typed) Title Jeremiah Mullen **Drilling Engineer Asst** Signature Date July 17, 2006 THIS SPACE FOR FEDERAL OR STATE USE

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. Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United salses factitious or fraudulent statements or representations as to any matter within its jurisdiction

Office

Conditions of approval, if any, are attached. Approval of this notice does not warrant or

Approved by