

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007

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.

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)

800' FNL & 1650' FEL Unit B Sec. 35-T19S-R32E

5. Lease Serial No.

NM-59392

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.

Lusk AHB Federal 1

9. API Well No.

30-025-30808

10. Field and Pool, or Exploratory Area

Wildcat Yates

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity



Other _____

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.)

Propose to recomplete as follows:

- 1) MIRU WSU, ND WH and NU BOP. RU safety equipment. POOH w/tubing and all production equipment.
- 2) Set CIBP @ 4530' w/35' cement on top.
- 3) Perforate 5-1/2" casing @ 3200' and try to circulate. If circulating, pump 200 sx Class "C" cement behind casing. WOC. If not circulating, set 100' plug, PUH and perforate pay. Try to circulate. If we can circulate, pump the cement, WOC and then re-perforate.
- 4) Perforate Yates 2969-2980' (12), 3012-3021' (10), 3060-3070' (11) and 3085-3092' (8) w/41 total holes.
- 5) TIH w/RBP, packer and tubing. Spot acid, straddle perforations break and acidize w/2500 gal iron control 15% HCl acid. Drop enough ball sealers throughout the acid to ball out. Flush to bottom perf w/3% KCl water.
- 6) Swab test and evaluate. Possibly frac.

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

Name (Printed/Typed)

Stormi Davis

Title

Regulatory Compliance Technician

Signature

Date

9/12/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by

Title

Date

SEP 18 2006

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

APPROVED
SEP 18 2006
Hobbs
OCD
INGRAM
PETROLEUM ENGINEER