(	UNITED STATES PARTMENT OF THE INTE EAU OF LAND MANAGE	EN 31.54	)BBS	o	FORM APPROVED DMB No. 1004-0135 pires 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.					5. Lease Serial No. NM-63016 6. If Indian, Allottee or Tribe Name N/A		
SUBMIT IN TRIPLICATE - Other instructions on reverse side					7. If Unit or CA/Agreement, Name and/or No.		
Type of Well     Gas Well     Gas Well     Other					N/A 8. Well Name and No.		
2. Name of Operator Yates Petroleum Corporation					Belco AIA Federal 2H 9. API Well No.		
3a. Address 3b. Phone No. (include area code)					30-025-38527		
105 S. 4th Str., Artesia, NM 88210         505-748-1471           4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)         505-748-1471				10. Field and Pool, or Exploratory Area Wildcat Delaware			
Surface: 330' FSL & 1000' FWL (Unit M) Sec. 14-T20S-R32E					11. County or Parish, State		
Bottom hole: 330' FNL & 660' FWL (Unit D) Sec. 14-T20S-R32E					Lea County, NM		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, RI					THER DATA		
TYPE OF SUBMISSION							
Notice of Intent  Subsequent Report  Final Abandonment Notice  13. Describe Proposed of Completed Operation (c If the proposal is to deepen directionally or rec Attach the Bond under which the work will be following completion of the involved operation testing has been completed. Final Abandon determined that the site is ready for final inspe	omplete horizontally, give subsurf performed or provide the Bond N s. If the operation results in a m nent Notices shall be filed only af	cluding estimated starting date of any ace locations and measured and true No. on file with BLM/BIA. Required s ultiple completion or recompletion in a	Reclamation Recomplete Temporarily Water Dispose proposed work and app vertical depths of all pe subsequent reports shall a new interval, a Form 3	sal proximete duration ther prtinent markers and II be filed within 300 3160-4 shall be filed			
<b>12-27-06</b> TD 8-3/4" hole to 54	00'. Logged well.				an taon ang sang sang sang sang sang sang sang		

**12-28-06** Set 520 sx cement plug 4900-4200'. Notified Jim McCormick w/Hobbs BLM. WOC. Tagged @ 4048'. Drilled out cement to 4483'. Began drilling new hole. Kick-off point is 4483'.

**1-3-07** TD 8-3/4" hole to 4769'. Set 7" 26# casing @ 4725'. Cemented w/306 sx 25:65:6 POZ "C" w/additives. Tailed in w/275 sx Class "C". TOC calculated @ 600'. Pat Hutchings w/Hobbs BLM ok'd. Tested casing to 1500# for 30 mins. No bleed off. WOC 26 hrs. Reduced hole to 6-1/8" and resumed drilling.

14. I hereby certify that the foregoing is true and correct					····		
Name (Printed/Typed)							
Stormi, Davis		Title Regulatory Compliance Technician					
Signature Hom Darins	Date	Date 1/11/07 ACCEPTED FOR RECORD					
THIS SPAC		and the second					
Approved by		Title		Date JAN 17	2007		
Conditions of approval, if any, are attached. Approval of this notice do certity that the applicant holds legal or equitable title to those rights which would entitle the applicant to conduct operations thereon.	Office		WESLEY WI	NGRAM			
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it	a crime for any person k	nowingly and willfully to mak	e to any departm	ept predente bi Me Bi	NGINEE	R	
States any false, fictitious or fraudulent statements or representations a							
GWW							