

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to 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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-40448
2. Name of Operator HARVEY E. YATES COMPANY		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 1933 ~ ROSWELL NM 88202-1930	3b. Phone No. (include area code) 505.623.6601	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) SL: 1650' FNL & 330' FEL (SENE) Sec 7, T18S, R32E BHL: 850' FNL & 2170' FWL (NENW) Sec 7, T18S, R32E		8. Well Name and No. BOLA 7 FEDERAL #34
		9. API Well No. # 30-025-35535
		10. Field and Pool, or Exploratory Area NORTH YOUNG BONE SPRINGS
		11. County or Parish, State LEA COUNTY, NEW MEXICO

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 checked="" 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 plug back existing
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	perfs and add a
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	horizontal leg

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.)

6/07/06 Set CIBP @ 8,240'.

6/23/06 GIH with whipstock, top of whipstock @ 8,225'. Begin milling window. RIH with directional drilling tools & continue drilling.

7/17/06 Reached TD of 10,950' (MD) 8,760' (TVD). Vertical section 2,330.54'. Ending BHL: 850' FNL & 2170' FWL (NENW).

GIH with P-110 9.3# liner, liner hanger at 8,098.88'. Cmt with 210 sx Class 'H'. Clean out hole to landing collar @ 10,913' (PBTD).

8/11/06 Perforate 10,463.51' - 10,465.77'; 10,692.39' - 10,694.99'; 10,900' - 10,902.92'. Pump 4000 gals 15% NEFE acid into perfs.

8/15/06 Frac'd 94500 gals Medallion 3500, 800 gals 15% NEFE acid, 127500# Carboprop, 3000# Interprop & 25000# Super DC.

8/17/06 Perforate 9,800' - 10,042' (54 holes). Frac w/4000 gals 15% NEFE, 94500 gals Medallion 3500, screened out @ 2PPG.

9/01/06 Perforate 9,140' - 9,142.94'; 9,360' - 9,363.94'; 9,580' - 9,583.94'. Frac'd 94500 gals Medallion 3500, 4000 gals 15% NEFE, 132500# Carbo Prop, 45000# Super DC.

9/09/06 Put well on production.

9/12/06 Well test.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

JEN SERRANO

Title ENGINEERING TECH

Signature

Jen Serrano

Date

09/20/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by

Chris Williams

Title

Date

SEP 28 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

Wesley W. Ingram
WESLEY W. INGRAM
REGISTERED PROFESSIONAL ENGINEER

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.

(Instructions on page 2)