

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS
RECEIVED

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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.*

MAR 10 2008

HOBBS OCD

5 Lease Serial No	NM-104698
6 Indian, Allottee or Tribe Name	N/A
7 If Unit or CA/Agreement, Name and/or No	N/A
8 Well Name and No	Gretchen BHX Federal 1
9 API Well No.	30-025-38159
10 Field and Pool or Exploratory Area	Wildcat Mississippian
11 County or Parish, State	Lea, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	2. Name of Operator Yates Petroleum Corporation
3a. Address 105 S. 4th Str., Artesia, NM 88210	3b. Phone No (include area code) 575-748-1471
4. Location of Well (Footage, Sec., T, R, M, OR Survey Description) 660' FSL, 1930' FWL Sec 29-T9S-R34E (SESW) Unit N	

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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other
	Fishing 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 recomplete horizontally, give subsurface locations and measured and true vertical depths. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM. 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 at 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.

1-5-08 to 1-31-08

Drilled to 8688'. Pump sweep while drilling. Hole packing off. Lost all but 26K string weight while working pipe. Made up screw in sub. Screw into fish and TOH w/25 stands DP. Laid down fish and pulled wear bushing. TIH w/milling Assy #1. Tag fish @ 2369'. Milled off fish to 2373'. Laid down milling assy. TIH with wash over/mill assy #2. Tag @ 2380'. Washed over/clean up outside tool joints. TOH. Laid down assy #2. TIH w/external cutter. Attempted to cut DP. TOH and laid down cutter. Junk trapped in cutter. TIH w/overshot. Latched onto fish. RU freepoint tool. Could not get into fish. POH. Pulled into fish w/overshot. Fish coming out of hole. TOH. Laid down 18 joints crooked DP. TOH w/DP. Left approx. 3' bit sub and bit in hole. RU DC inspector. Laid down bottom drill collar. TIH w/6 fishing DC's. Laid down 5, kept 1 in string. TIH, washed and reamed 8065-8688'. Mixed mud w/70 Visc. Circulated and raised Visc to 100 CC. TOH. TIH with fishing tools. Worked over top of fish. TOH with tools. Resumed drilling. Drilled to 11508'. Lost 30K string weight when pulling off bottom. TIH w/fishing assembly. Work overshot onto fish. Start chaining out of hole w/fish. LD fish and tools. Resumed drilling.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Stormi Davis	Title Regulatory Compliance Technician
Signature <i>Stormi Davis</i>	Date 2/20/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Chris Williams</i>	OC DISTRICT SUPERVISOR/GENERAL MANAGER	Date APR 01 2008
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.