

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

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

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		6. If Indian, Allottee or Tribe Name
2. Name of Operator Yates Petroleum Corporation		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-748-1471	8. Well Name and No. L. Harris Federal #2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FNL & 1980' FEL of Section 22-T7S-R35E (Unit G, SWNE)		9. API Well No. 30-041-20474
		10. Field and Pool, or Exploratory Area Todd Wolfcamp
		11. County or Parish, State Roosevelt Co., NM

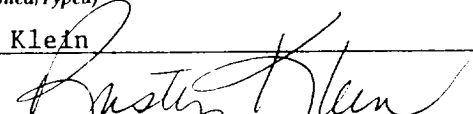
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 Response to Letter
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

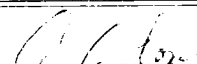
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical 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 recompleation 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.)

Well is presently completed in perforations 7609-7621' (Wolfcamp). Propose to add perforations in the Wolfcamp as follows:

1. Load tubing with 2% KCL water. Nipple down tubinghead. Release pump. TOOH with pump and rods. Nipple down wellhead and nipple up BOP. TOOH with tubing.
2. TIH with bit, scraper and tubing to PBTD of 7740' (CIBP with cement). Circulate hole clean. TOOH with tubing, scraper and bit.
3. Perforate 7666-7684', acidize as necessary for production.
4. Swab test.
5. Place well into production or squeeze perforations 7666-7684'.
6. If decision is made to squeeze, will TOOH with packer and tubing. Set retainer at 7660'. Squeeze with 100 sacks or enough cement to obtain a good squeeze.
7. Perforate 7594-7656' (Wolfcamp), acidize as necessary for production.
8. Swab test.
9. Place well into production.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Rusty Klein	Title Operations Technician
Signature 	Date November 15, 2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	Title / /	Date 12/4/01
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 / /	

cc: Pinson
Sent 10-19-01



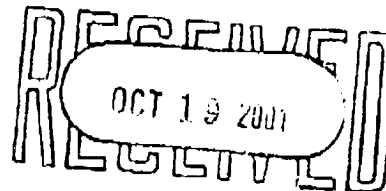
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88202

IN REPLY REFER TO:
LC-068124
3162.3-4

OCT 18 2001



CERTIFIED-RETURN RECEIPT REQUESTED
7099 3220 0004 0017 6974

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Re: Well No.2 Harris Federal, Lease LC-068124
Roosevelt County, New Mexico

Gentlemen:

A review of the Monthly Report of Operations (Form 3160) of the Harris Federal No. 2 well indicates that well is in shut-in status. Accordingly, you are hereby requested to do one of the following: 1) place well on production or beneficial use which includes but not limited to recompletion to other horizons or conversion to injection, or 2) permanently plug and abandon the well. If you place well back on production status you are requested pursuant to 43 CFR 3107.2-3 to keep well on continued production.

11/18/01

Please submit a Sundry Notice and Reports on Wells (form 3160.5) within 30 days of receipt of this letter with your intentions to either place the well back to beneficial use or to plug the well.

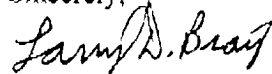
Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the order described above. Such request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115.

10-26-01
w/c ~ SA
AFE returned to
Pinson - Need
w/c only. - -

Such request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from the instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR Part 4.

If you have any questions concerning the above matter please call Armando Lopez at (505)627-0248.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Bray". The signature is written in a cursive, flowing style.

Larry D. Bray
Assistant Field Manager,
Lands and Minerals Division