

LANDIS DRILLING COMPANY
P. O. Box 3579
Midland, Texas 79702

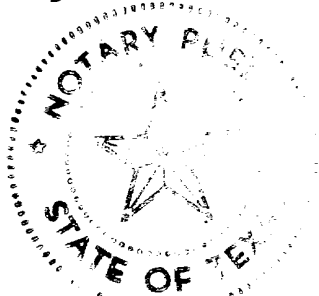
OPERATOR Yates Petroleum Corporation ADDRESS 207 South 4th St., Artesia, NM 88210

LEASE NAME Pronghorn "ACZ" Federal #1 WELL NUMBER #1

LOCATION 1980' FSL & 660' FWL, Section 29, T-22-S, R-33-E, Lea County, New Mexico

DEPTH	ANGLE INCLINATION - DEGREES	DISPLACEMENT	ACCUMULATIVE DISPLACEMENT
487	1/4	2.13	2.13
800	3/4	4.10	6.23
1274	1 1/4	10.34	16.57
1774	1	8.73	25.30
2244	1 1/2	4.10	29.40
2740	1	8.66	38.06
2989	2	8.69	46.75
3241	1 3/4	7.70	54.45
3366	2	4.36	58.81
3615	3	13.03	71.84
3804	3 3/4	12.36	84.20
3992	4	13.11	97.31
4180	4 3/4	15.57	112.88
4368	5 3/4	18.84	131.72
4453	6 1/2	9.62	141.34
4547	6 1/2	10.64	151.98
4680	4 1/2	10.44	162.42
4835	2 1/2	6.76	169.18
4990	1 1/2	4.06	173.24
5489	1/4	2.18	175.42
5700	1/4	.92	176.34

I hereby certify that the above data as set forth is true and correct to the best of my knowledge and belief.



LANDIS DRILLING COMPANY

By: Gary W. Chappell
Title: Vice President - Contracts

AFFIDAVIT:

Before me, the undersigned authority, appeared Gary W. Chappell known to me to be the person whose name is subscribed hereabove, who on making deposition, under oath states that he is acting for and in behalf of the Operator of the well identified above, and that to the best of his knowledge and belief, such well was not intentionally deviated from the true vertical whatsoever.

Linne Travis
AFFIDANT'S SIGNATURE

Sworn and subscribed to in my presence on this the 31st day of December, 19 85.

LINNIE TRAVIS
Notary Public in & for
The State of Texas
My Commission Expires 2-9-86

Linne Travis

RECEIVED
JAN 6 - 1986
O.C.D.
HOME OFFICE

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 26886
2. NAME OF OPERATOR Yates Petroleum Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 207 South 4th St., Artesia, NM 88210		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980 FSL & 660 FWL, Sec. 29-T22S-R33E		8. FARM OR LEASE NAME Pronghorn ACZ Federal
14. PERMIT NO. API #30-025-28097		9. WELL NO. 1
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 3668.8' GR		10. FIELD AND POOL, OR WILDCAT Wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit L, Sec. 29-22S-33E
		12. COUNTY OR PARISH Lea
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input checked="" type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Resumed drilling with rotary rig 9:00 AM 12-11-85. Ran 20 joints 10-3/4" 40.5# J-55 ST&C casing set 800'. 1-Texas Pattern guide shoe set 800'. Insert float set 760'. Cemented w/350 sx Pacesetter Lite + 1/4#/sx Celloseal + 3% CaCl2. Tailed in w/200 sx Class "C" + 2% CaCl2. Compressive strength of cement - 1250 psi in 12 hrs. PD 11:00 AM 12-12-85. Bumped plug to 1000 psi, released pressure and float held oaky. Cement circulated 50 sx. to pit. WOC. Drilled out 6:00 AM 12-13-85. WOC 19 hours. NU and tested to 1000 psi for 30 minutes, OK. Reduced hole. Drilled plug and resumed drilling.

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

SIGNED [Signature] TITLE Production Supervisor DATE 12-16-85

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____ DATE _____

RECEIVED FOR RECORD

DEC 18 1985

*See Instructions on Reverse Side

RECEIVED
DEC 20 1985
O.C.D.
HOBBS OFFICE