Form \$160-5 (June 1990) FORM APPROVED UNITED STATES Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM 86148 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well XX Oil Well 8. Well Name and No. Cleary AKC Federal #2 2. Name of Operator (505) 748-1471)9. API Well No. YATES PETROLEUM CORPORATION 30-025-31926 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 105 South 4th St., Artesia, NM 88210 East Livingston Ridge Delawar 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Unit D, 330' FNL & 330' FWL, Sec. 17-T22S-R32E Lea County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Change of Plans Notice of Intent Abandonment Recompletion **New Construction** XX Subsequent Report Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Conversion to Injection Final Abandonment Notice Altering Casing Dispose Water Other (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. 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.)* Spudded 26" hole 4:30 PM 3-31-93. Set 40' of 20" conductor and cemented to surface. Notified BLM, Hobbs, NM, of spud. Resumed drilling 17-1/2" hole 5:00 PM 4-1-93. Ran 20 joints 13-3/8" 54.5# J-55 casing set 862'. Guide shoe set 862', insert flaot set 819'. Cemented w/550 sx PSL "C" + 2% CaC12 (yield 1.76, wt 12.9). Tailed in w/250 sx "C" + 2% CaC12 (yield 1.32, wt 14.8). PD 7:05 PM 4-2-93. Bumped plug to 600 psi, float held OK. Circulated 138 sacks. WOC. Drilled out 1:45 PM 4-3-93. WOC 18 hours and 45 minutes. NU and tested to 500 psi for 15 minutes. Reduced hole to 11" and resumed drilling. ACCEPTED FOR RECORD OKIG. SGD.) DAVID R. GLASS APR 2 2 1993 CARLSBAD, NEW MEXICO 14. I hereby certify that the foregoing is true and correct Title Production Supervisor space for Federal or State office use) Conditions of approval, if any:

or representations as to any matter within its jurisdiction.

Title 18 U.S.C. Section 1001, makes 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