

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0135
Expires: July 31, 2010**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. NMMN81953 |
| 2. Name of Operator YATES PETROLEUM CORPORATION | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No (include area code) Ph: 575-748-4168 Fx: 575-748-4585 | | 8. Well Name and No GLOW WORM ALX FEDERAL 19H |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T23S R31E SWSE 30FSL 2310FEL | | 9. API Well No. 30-015-37515-00-S1 |
| | | 10. Field and Pool, or Exploratory LOS MEDANOS |
| | | 11. County or Parish, and State EDDY COUNTY, NM |

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 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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Drilling Operations |
| | <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 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.)

11/2/11 - NU BOP. TIH and tagged at 4330'. Drilled cement to 4334'. Drilled DV tool at 4334'. Tested DV tool to 1000 psi, held good. Tagged at 6156'. Drilled DV tool at 6156'. Tested DV tool and casing to 2600 psi, held good.

11/3/11 - Worked scraper across DV tool at 4334' and 6156'. Ran CBL/GR/CCL log from 8232' to surface.

11/6/11 - Tagged at 11,105'. Drilled cement to 11,113'. Drilled float collar from 11,113'-11,114'. Drilled cement to 11,185' and circulated hole clean.

11/7/11 - TIH with bit to 11,175'. Pumped 500g Xylene and 1200g 15% HCL pickle acid down annulus. Circulated hole with 3% KCL with Petrolite crw-132 chemical.

11/8/11 - Perforated Delaware 11,180'(12), 11,111'(12), 10,992'(12) and 10,873'(12). Pumped 15 bbls 3% with chemicals into all perms. ND BOP.

12/19/11 - Acidized with 2500g 7-1/2% HCL. Frac with 4297 bbls 25# linear gel, 190,989# 20/40

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JAN 31 2012

NMOCD ARTESIA

| | |
|---|---------------------------------|
| 14 I hereby certify that the foregoing is true and correct | |
| Electronic Submission #128835 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by JAMES (JIM) HUGHES on 01/24/2012 (12JLH0349SE) | |
| Name (Printed/Typed) TINA HUERTA | Title REG COMPLIANCE SUPERVISOR |
| Signature (Electronic Submission) | Date 01/20/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------------------|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISOR EPS | Date 01/28/2012 |
| 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 Carlsbad | | |

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Accepted for record

NMOCD

J. Hughes

Additional data for EC transaction #128835 that would not fit on the form

32. Additional remarks, continued

Jordan-unimin sand, 85,119# super LC sand. Spotted 60 bbls 7-1/2% HCL at 10,775'. Perforated Delaware 10,754'(12), 10,635'(12), 10,516'(12) and 10,397'(12). Acidized with 2500g 7-1/2% HCL. Frac with 4320 bbls 25# linear gel, 192,071# 20/40 Jordan-unimin sand, 104,836# 20/40 super LC. 12/20/11 - Spotted 60 bbls 7-1/2% HCL at 10,338'. Perforated Delaware 10,278'(12), 10,159'(12), 10,040'(12) and 9921'(12). Acidized with 2500g 7-1/2% HCL. Frac with 4266 bbls 25# linear gel, 192,578# 20/40 Jordan-unimin sand, 98,194# super LC sand. Spotted 60 bbls 7-1/2% HCL at 9862'. Perforated Delaware 9802'(12), 9683'(12), 9564'(12) and 9445'(12). Acidized with 2500g 7-1/2% HCL. Frac with 4208 bbls 25# linear gel, 192,070# 20/40 Jordan-unimin sand, 98,848# super LC sand. Spotted 60 bbls 7-1/2% HCL at 9386'. Perforated Delaware 9326'(12), 9207'(12), 9088'(12) and 8969'(12). Acidized with 2500g 7-1/2% HCL. Frac with 4188 bbls 25# linear gel, 192,549# 20/40 Jordan-unimin sand, 97,658# super LC sand. Spotted 60 bbls 7-1/2% HCL at 8910'. Perforated Delaware 8850'(12), 8731'(12), 8612'(12) and 8493'(12). Acidized with 2500g 7-1/2% HCL. Frac with 4503 bbls 25# linear gel, 192,572# 20/40 Jordan-unimin sand, 130,800# super LC sand. Circulated hole clean. 2-7/8" J-55 tubing at 7648'.

1/6/12 - Date of 1st production - Delaware

Final Bottomhole location 1946'FNL & 2384'FEL (Unit G, SWNE) of Section 3-T23S-R31E