

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

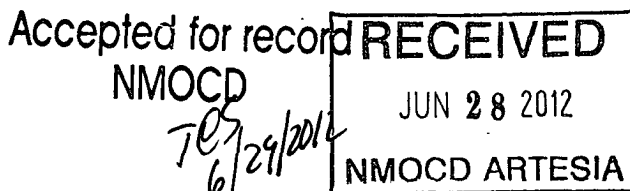
| | | |
|---|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other (re-entry) | | 5. Lease Serial No. NM-65417 |
| 2. Name of Operator Yates Petroleum Corporation 025575 | | 6. If Indian, Allottee or Tribe Name Not Applicable |
| 3a. Address 105 South Fourth Street, Artesia, NM 88210 | 3b. Phone No. (include area code) (575) 748-1471 | 7. If Unit or CA/Agreement, Name and/o Not Applicable |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2340' FNL and 990' FEL, Unit H, SENE 2340' FNL and 1650' FWL, Unit F, SENW 1780' FSL Section 11-22S-31E | | 8. Well Name and No. Martha AIK Federal #11H |
| | | 9. API Well No. 30-015-37510 |
| | | 10. Field and Pool, or Exploratory Area Livingston Ridge Delaware |
| | | 11. County or Parish, State Eddy County, New Mexico |

12. CHECK THE 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 Extend |
| | <input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back |

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 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation wishes to extend the APD for one year until December 16, 2012.



Thank you.

APPROVED FOR 12 MONTH PERIOD
ENDING 12/16/12

| | | |
|--|-------------------------------------|---------------------|
| 14. I hereby certify that the foregoing is true and correct | | |
| Name (Printed/Typed) Monti Sanders | Title Land Regulatory Technician | |
| Signature <i>MSanders</i> | Date November 9, 2011 | |
| THIS SPACE FOR FEDERAL OR STATE USE | | |
| Approved by /s/ Don Peterson | Title | Date JUN 25 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 | | |
| Title 18 U.S.C Section 1001, 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. | | |

(Instructions on reverse)

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OCD Artesia

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| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1780' FSL and 200' FEL Surface Hole Location, UL I 1780' FSL and 330' FWL Bottom Hole Location, UL F Section 11, T22S-R31E | | 8. Well Name and No. Martha AIK Federal #11H |
| | | 9. API Well No. |
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| | | 11. County or Parish, State Eddy County, New Mexico |

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| <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 change location |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
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Yates Petroleum Corporation wishes to change the surface location to 1780' FSL & 200' FEL & 1780' FSL 330' FWL as the bottom hole location.

See attached email 6-22-12
OK gjust 6-25-12

| | | |
|---|--------------------------------|---------------------|
| 14. I hereby certify that the foregoing is true and correct | | |
| Name (Printed/Typed) Clifton May | Title Land Regulatory Agent | |
| Signature <i>Clifton May</i> | Date June 15, 2011 | |
| THIS SPACE FOR FEDERAL OR STATE USE | | |
| Approved by /s/ Don Peterson | Title | Date JUN 25 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 | |
| Title 18 U.S.C. Section 1001, 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. | | |

(Instructions on reverse)

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised July 18, 2010

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|---------------------|--|--------------------|
| API Number | Pool Code | Pool Name |
| Property Code | Property Name MARTHA "AIK" FEDERAL | Well Number 11H |
| OGRID No. 025575 | Operator Name YATES PETROLEUM CORP. | Elevation 3584' |

Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No. I | Section 11 | Township 22 S | Range 31 E | Lot Idn | Feet from the 1780 | North/South line SOUTH | Feet from the 200 | East/West line EAST | County EDDY |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot No. L | Section 11 | Township 22 S | Range 31 E | Lot Idn | Feet from the 1780 | North/South line SOUTH | Feet from the 330 | East/West line WEST | County EDDY |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|----------------|

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
|-----------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | | |
|--|---|--|
| <p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°24'13.22" Long - W 103°45'22.02" NMSPCE- N 511068.402 E 719480.401 (NAD-83)</p> | <p>SURFACE LOCATION Lat - N 32°24'13.28" Long - W 103°44'26.65" NMSPCE- N 511100.543 E 724227.784 (NAD-83)</p> | <p>OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Armand A. Lopez</i> 4/4/11 Signature Date Armand A. Lopez Printed Name Armand A. Lopez, Yates Petroleum Email Address</p> <p>SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JANUARY 8 2011 GARY L. JONES NEW MEXICO Professional Surveyor 9777 W.O. No. 23910</p> <p>Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS 23910</p> |
|--|---|--|

PECOS DISTRICT CONDITIONS OF APPROVAL

| | |
|-----------------------|------------------------------------|
| OPERATOR'S NAME: | YATES PETROLEUM CORPORTION |
| LEASE NO.: | NM65417 |
| WELL NAME & NO.: | 11H – MARTHA AIK FEDERAL |
| SURFACE HOLE FOOTAGE: | 1780' FSL & 200' FEL |
| BOTTOM HOLE FOOTAGE: | 1780' FSL & 330' FWL |
| LOCATION: | Section 11, T.22 S., R.31 E., NMPM |
| COUNTY: | Eddy County, New Mexico |

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

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- ☐ **Permit Expiration**
- ☐ **Archaeology, Paleontology, and Historical Sites**
- ☐ **Noxious Weeds**
- ☒ **Special Requirements**
 - Lesser Prairie-Chicken Timing Stipulations
 - Ground-level Abandoned Well Marker
- ☐ **Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- ☐ **Road Section Diagram**
- ☒ **Drilling**
 - Logging Requirements
 - R-111-P Potash
 - WIPP Requirements
 - Waste Material and Fluids
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 - Well Structures & Facilities
 - Pipelines
 - Electric Lines
- ☐ **Interim Reclamation**
- ☐ **Final Abandonment & Reclamation**