

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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 page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

YATES PETROLEUM CORPORATION

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)

575-748-4372

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

330' FSAL and 2180' FWL Surface Hole Location Section 30, T25S-R30E

5. Lease Serial No.

NM-14785

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.

Bennett Federal #3H

9. API Well No.

30-015-40872

10. Field and Pool or Exploratory Area

Coeval Canyon; Undesignated Bone Spring

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back

TYPE OF ACTION

☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Amend the Surface
Use Plan.

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 must 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 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 amend the Surface Use Plan for the captioned to include the construction of a 320' x 320' x 11' deep fresh water reservoir to be used for the drilling and fracking operations for the Bennett Federal #3H. The frac reservoir will be located approximately 1800' to the northeast of the Bennett Federal #3H. The frac pond will use one half of the reclaimed Bennett Federal #1 well location and a portion of the reclaimed access road the the Bennett Federal #1 well. On the south edge of the frac pond we will construct a 12' wide road with ramps and a turn around for the trucks after unloading.

Please note attached survey plats showing the location and access road to the freshwater reservoir.

Thank you.

Accepted for record

NMOCD

TOS
1/8/2013

RECEIVED

JAN 08 2013

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Cy Cowan

Title Land Regulatory Agent

Signature

Date 10/23/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ James A. Amos

FIELD MANAGER

Title

Date

JAN - 4 2013

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 FIELD OFFICE

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.

(Instructions on page 2)