

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM 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.

HOBBS OCD

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

DEC 19 2012

RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM108476
2. Name of Operator YATES PETROLEUM CORPORATION - Mail: tinah@yatespetroleum.com		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. RIDER BRQ FEDERAL 2H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T25S R34E SWSW 330FSL 660FWL		9. API Well No. 30-025-40558
		10. Field and Pool, or Exploratory FAIRVIEW MILLS; BS
		11. County or Parish, and State LEA 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Drilling Operations

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.)

10/25/12 - Resumed drilling at 11:00 AM.

10/26/12 - TD 17-1/2" hole to 1012' at 8:45 AM. Set 13-3/8" 48# H-40 ST&C casing at 1012'. NOTE: Changed cement program as per Jack Johnson with BLM-Carlsbad. Cemented with 840 sx Class "C" + 0.5% S001 + 0.2% D046 + 0.1% D065 + 3#/sx D020 + 0.125#/sx D130 (yld 1.71, wt 13.5). Tailed in with 100 sx Class "C" + 3#/sx D042 + 0.125#/sx D130 (yld 1.37). Circulated 246 sx to pit.

10/28/12 - Tested casing to 600 psi for 30 min, good. WOC 36 hrs 30 min. Reduced hole to 12-1/4" and resumed drilling.

11/2/12 - TD 12-1/4" hole to 5472' at 4:15 PM. Set 9-5/8" 36#, 40# HCK-55 J-55 LT&C casing at 5472'. Cemented with 1190 sx 35:65:6 Poz "C" + 0.2% D046 + 7% D020 + 0.3% D112 + 5#/sx D042 + 0.125#/sx D130 + 0.1% D013 + 5% D044 (yld 1.99, wt 12.8). Tailed in with 180 sx 50/50 Poz "C" + 0.2% D046 + 0.2% D065 + 3#/sx D042 + 0.125#/sx D130 + 5% D044 (yld 1.36, wt 14.2). Circulated 335 sx.

14. I hereby certify that the foregoing is true and correct:

Electronic Submission #159993 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 11/29/2012 ()

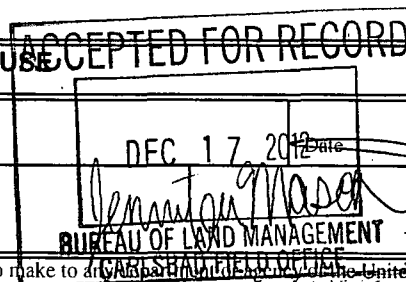
Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 11/12/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE



Approved By

Title

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 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any Federal, State, or local government, or to any person in the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

MW/OCD 12-21-2012

JAN 08 2013

Additional data for EC transaction #159993 that would not fit on the form

32. Additional remarks, continued

11/5/12 - Tested casing to 1500 psi. WOC 45 hrs 40 min. Reduced hole 8-3/4" and resumed drilling.