

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

DEC 19 2012

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM121957
2. Name of Operator YATES PETROLEUM CORPORATION Contact: TINA HUERTA E-Mail: tinah@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T21S R32E SESE 330FSL 330FEL		8. Well Name and No. CAPELLA BOP FEDERAL 2H
		9. API Well No. 30-025-39529
		10. Field and Pool, or Exploratory LOST TANK; DELAWARE
		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 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	Production Start-up
	<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 recompletion 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.)

10/1/12 - Tagged stage tool at 4457'. Began drilling and fell out. Circulated hole clean. Pressure tested casing to 2000 psi for 10 min, good. Tagged at 7205'.
10/2/12 - Drilled cement down to DV tool at 7235', drilled out. Circulated hole clean. Pressure tested casing to 2000 psi, good. Tagged up at 12,675' and drilled cement down to 12,807'. Circulated hole clean.
10/3/12 - Drilled down to float collar at 12,823' and circulated hole clean. Pickled tubing and casing with 500g Xylene and 1200g 15% HCL. Displaced hole with 280 bbls 2% KCL and packer fluid.
10/4/12 - Cleaned up stage tool and DV tool. Pressured well up to 1500 psi. Ran CBL/VDL/CC log to surface. Est TOC at surface.
10/7/12-10/24/12 - Perforated Delaware 8730'-12,822'(384). Acidized with 22,451g 7-1/2% HCL acid. Frac with 1,857,729# 20/40 Jordan sand and 648,369# Super LC sand.
10/31/12-11/6/12 - Pumped 50 bbls fresh water down 5-1/2" casing. Circulated hole clean down to

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

Electronic Submission #160218 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 COMPLIANCE SUPERVISOR

Signature (Electronic Submission)

Date 11/13/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved By	Title	Date
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	DEC 17 2012
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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

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

Additional data for EC transaction #160218 that would not fit on the form

32. Additional remarks, continued

12,824'. 2-7/8" 6.5# L-80 tubing at 8018'.

11/10/12 - Date of 1st production - Delaware

Final Bottomhole location is 371'FNL & 669'FEL (Unit A, NENE) of Section 8-T21S-R32E. Current wellbore schematic attached.

COMMENTS: API No.: 30-025-39529 (Resume dnl date: 8/26/12)

13-3/8" 48# J-55 ST&C	1,220'
9-5/8" 36# J-44 & 40# HCK-55	4,362'
5 1/2" 17# P-110 LT&C to 7,754', 17# L-80 Buttress from 7,754 to 12,915'	12,915'

