

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

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.

MAR 19 2013

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. NMNM108476
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. RIDER BRQ FEDERAL COM 2H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T25S R34E SWSW 330FSL 660FWL		9. API Well No. 30-025-40558-00-X1
		10. Field and Pool, or Exploratory FAIRVIEW MILLS
		11. County or Parish, and State LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

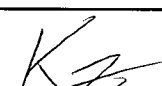
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 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.)

12/27/12 - NU BOP. Tagged up on stage tool at 7468 ft.
12/30/12 - Drilled stage tool and circulated hole clean. Pressure tested to 3000 psi, good.
Tagged DV tool at 9161 ft and drilled out. Circulated hole clean. Pressure tested to 3000 psi, good. Tagged up at 14,084 ft and drilled down to 14,105 ft and was on float collar. Circulated hole clean. Pressure tested casing again to 3000 psi, good.
1/1/13 - Pickled tubing and casing with 1500g 15 percent HCL. Displaced hole with 3 percent KCL water with packer fluid. Reamed out stage tool at 7509 ft. Reamed out DV tool at 9204 ft.
1/2/13-2/1/13 - Ran CBL/CCL/GR log to 4200 ft with 1500 psi. Est TOC at 4730 ft. Tagged up on float collar at 14,106 ft. Perforated Bone Spring 10,375 ft - 14,102 ft (360). Acidized with 57,500g 20 percent HCL, frac with 2,609,765Lb 100 mesh, Atlas CRC-E 30/50 Jordan Unimin sand.
2/3/13 - Circulated hole clean down to 14,118 ft.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #198934 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Hobbs Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/25/2013 (13DLM0966SE)	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 02/14/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISORY EPS	Date 03/16/2013
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 Hobbs 

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 **

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Additional data for EC transaction #198934 that would not fit on the form

32. Additional remarks, continued

2/12/13 - Date of 1st production - Bone Spring

Current wellbore schematic attached