

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**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.**

ocd - Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 20105. Lease Serial No  
NMNM0487738

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
FEDERAL AB 13H9. API Well No.  
30-015-37211-00-X110. Field and Pool, or Exploratory  
PENASCO DRAW11. County or Parish, and State  
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well  
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
YATES PETROLEUM CORPORATION  
Contact TINA HUERTA  
Mail: tinah@yatespetroleum.com3a. Address  
105 SOUTH FOURTH STREET  
ARTESIA, NM 882103b. Phone No. (include area code)  
Ph: 575-748-4168  
Fx: 575-748-4585

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

Sec 32 T18S R25E SESW 330FSL 1650FWL

ULN

**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 Drilling Operations |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |   |
|   | <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 recomple 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 recomple 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.)

8/3/11 - Resumed drilling at 5:00 AM.

8/4/11 - TD 14-3/4" hole to 1125' at 5:15 PM. Set 9-5/8" 36# K-55 LT&C casing at 1125'. Cemented with 200 sx Class "H" + 10% D053 + 94#/sx D909 + 2% S001 (yld 1.61, wt 14.2). Tailed in with 858 sx Class "C" + 3#/sx D042 + 0.2% D046 + 0.125#/sx D130 + 94#/sx D903 (yld 1.34, wt 14.8). Did not circulate cement. Ran 1" and tagged at 465'. Cemented stage 1 with 50 sx Class "C" + 2% S001. WOC between 1" stages. Ran 1" and tagged at 430'. Cemented stage 2 with 50 sx Class "C" + 2% S001. WOC between 1" stages. Ran 1" and tagged at 372'. Cemented stage 3 with 200 sx Class "C" + 2% S001. WOC between 1" stages. Ran 1" and tagged at 165'. Cemented stage 4 with 200 sx Class "C" + 2% S001. Circulated 33 sx to 1/2 round. Tested casing to 1500 psi for 30 min, good. Notified Legion Brumley of operations. WOC 48 hrs 45 min. Reduced hole to 8-3/4" and resumed drilling.

Accepted for record - NMOCD

22 9-6-11



14. Thereby certify that the foregoing is true and correct.

Electronic Submission #114837 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by KURT SIMMONS on 08/10/2011 (11KMS2298SE)

Name (Printed/Typed) TINA HUERTA

Title REG COMPLIANCE SUPERVISOR

Signature (Electronic Submission)

Date 08/09/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

|   |                 |                                      |                 |
|---|-----------------|--------------------------------------|-----------------|
| Approved By   | <b>ACCEPTED</b> | JAMES A AMOS<br>Title SUPERVISOR EPS | Date 08/26/2011 |
| 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                      |                 |

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 \*\***