

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Section 9, 124S-R29E

SUBMIT IN TRIPLICATE - Other instructions on reverse side

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) 748-4120

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

660' FNL and 330' FWL Surface Location Section 9-T24S-R29E ✓

660' FNL and 330' FWL Bottom Hole Location Section 9-T24S-R29E
330 330 FWL 1 16

5. Lease Serial No.

NM-107383 ✓

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Marcel BMM Federal #1H ✓

9. API Well No.

3095 36845

10. Field and Pool, or Exploratory Area

Wolfcamp

11. County or Parish, State

Eddy County, New Mexico

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

TYPE OF SUBMISSION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☒ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other Construct

Fresh Water

Reservoir

13. Describe Proposed or Completed Operations (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 recomplete 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.)

Yates Petroleum Corporation wishes to amend the Surface Use Plan for the captioned to include the construction of a 320' x 320' freshwater reservoir to be used for fracing operations for the Marcel BMM Federal #1H. The frac pit will be located 251' south of the center hole location of this well. Between the southedge of the well pad and the frac reservoir will be an 80' buffer that will act as the access to the frac reservoir for unloading water. The frac reservoir will have a 12' wide road with ramps and a turn around for the trucks after unloading.

Please note a Class III Archaeological Survey for the Marcel #1H Frac Reservoir was completed on 11/22/11.

Please note attached survey plat showing the location of the proposed freshwater reservoir

OK 9 Feb 2-2-12

Accepted for record
NMOCD

RDeade 02/03/12

RECEIVED

FEB 15 2012

NMOCD ARTESIA

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

Name (Printed/Typed)

Travis Hahn

Title

Land Regulatory Agent

Signature

Date

December 14, 2011

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

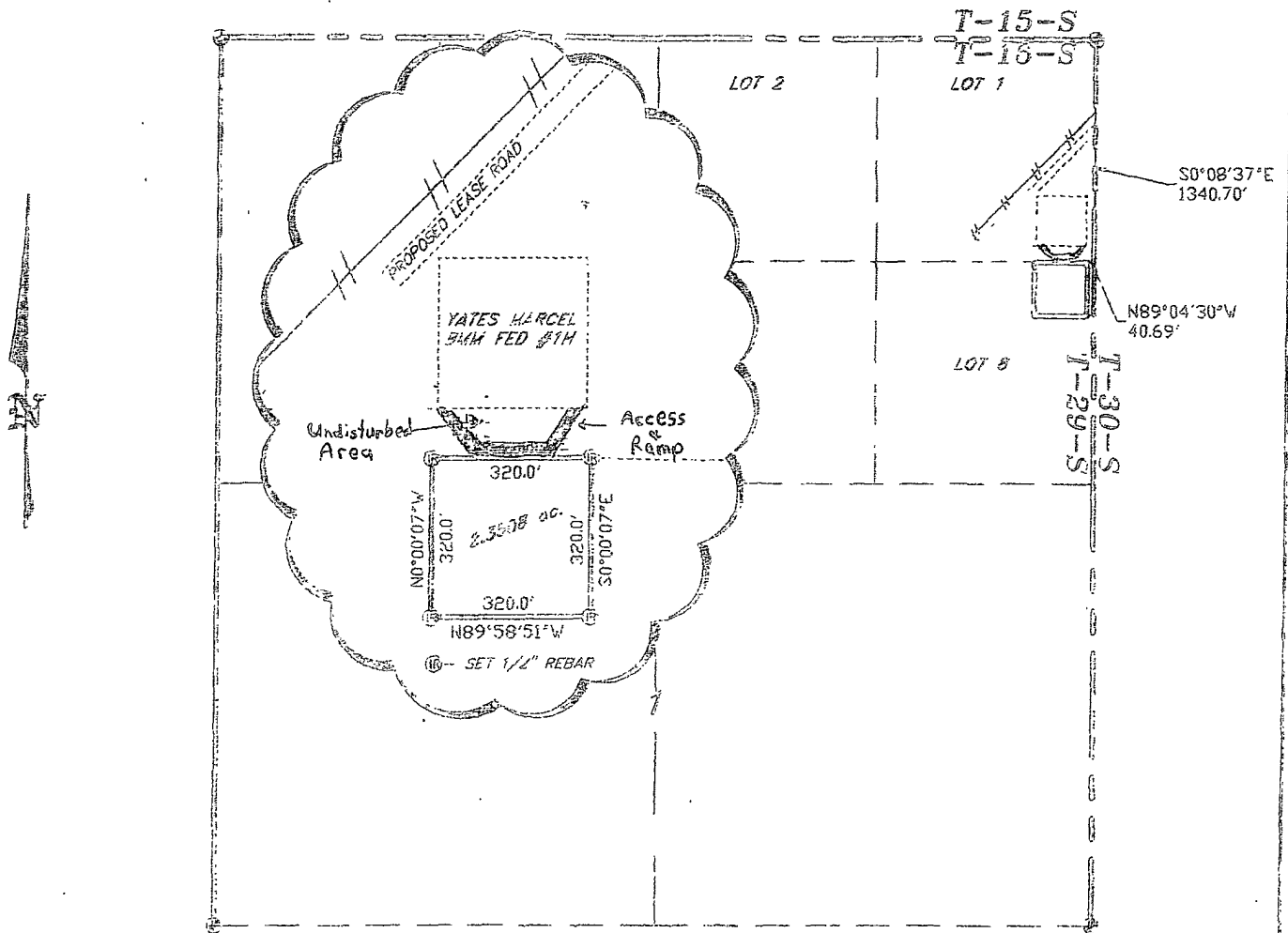
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office

Title 18 U.S.C. Section 1001, 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 reverse)

SECTION 1, TOWNSHIP 16 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 1, TOWNSHIP 16 SOUTH, RANGE 29 EAST, N.M.P.M. EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT A POINT WHICH LIES S00°08'37\"E., 1340.7 FEET AND N89°04'30\"W., 40.69 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 1; THENCE S.0°00'07\"E., 320.0 FEET; THENCE N.89°58'51\"W., 320.0 FEET; THENCE N.00°00'07\"W., 320.0 FEET; THENCE S.89°58'51\"E., 320 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 2.351 ACRES, MORE OR LESS.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF A LAND SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS PREPARED BY THIS STATE.

GARY L. JONES

LEADS S.S.

No. 7977

No. 5074

BASH SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 25521

Drawn By: J. GOAD

Date: 10/28/2011

Disk: JG - 255217

Survey Date: 10-24-11

Sheet 1 of 2 Sheets

1000 0 1000 2000 FEET

YATES PETROLEUM CORP.

REF: YATES MARCEL BMM FED #1H FRAC TRACT

A TRACT OF LAND LOCATED IN
SECTION 1, TOWNSHIP 16 SOUTH, RANGE 29 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.