Form 3160-5 (August 2007)

1 Type of Well

3a. Address

2 Name of Operator

Oil Well

Yates Petroleum Corporation

105 S. 4th Str., Artesia, NM 88210

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

DEPARTMENT OF THE INTERIOR CD-ARTESIA

BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 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.

Gas Well

Surface - 1310'FNL & 660'FWL of Section 20-T25S-R25E (Unit D, NWNW)

SUBMIT IN TRIPLICATE - Other instructions on page 2

Other

5 Lease Senal No NM-103849 6 If Indian, Allottee or Tribe Name 7 If Unit or CA/Agreement, Name and/or No NΑ 8 Well Name and No Tractor BPC Federal #1H 9 API Well No 30-015-37779 10 Field and Pool or Exploratory Area Wildcat, Bone Spring (Gas)

11 County or Parish, State

BHL - 390'FSL & 642'FWL of S	ection 20-T25S-R25E	(Unit M, SWSW)	Eddy Cour	Eddy County, New Mexico		
TYPE OF SUBMISSION	TYPE OF ACTION					
	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off		
Notice of Intent	Alter Casing	Fracture Treat	Reclamation	Well Integrity		
X Subsequent Report	Casing Repair	New Construction	Recomplete	X Other Completion		
	Change Plans	Plug and Abandon	Temporarily Abandon	Operations		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal			
13 Describe Proposed of Completed Operation, Cl.	early state all pertinent details, include	ding estimated starting date of any	proposed work and approximate duration	thereof If		

RECEIVED

JUN 05 2012

NMOCD ARTESIA

575-748-1471

3b Phone No (include area code,

- 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 must 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 must be filed once testing has been completed Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection
- NU BOP. Tagged cement at 1706'. Drilled plug and cement to stage tool at 1709'. Circulated well clean. 11/7/10
- Started drilling on stage tool, fell thru at 8:30. Circulated well clean. Tested stage tool to 2500 psi, held good. Tagged 11/8/10 DV tool at 4304'. Started drilling at 11:00, fell through at 1.30. Circulated well clean. Tested to 2900 psi, held good for 15 min Cleaned up stage tool and DV tool.
- Pickled tubing and casing with 1000g 15% NEFE HCL. Spotted 1500g 15% double inhibited NEFE HCL acid across 11/9/10 perfs. Displaced hole with 3% KCL. Tested casing to 3000 psi, held good for 15 min. Logged well to surface with 1000 psi on well Est TOC at 50'.
- 11/10/10 Perforated Bone Spring 8333' (6), 8225' (6), 8117' (6), 8009' (6) and 7901' (6). Pumped 50 bbls down casing at 7.7 BPM. Pumped 20 bbls to flush tubing. ND BQP

ccepted for record NMOCD febrole 6/16/10

CONTINUED ON NEXT PAGE:

	0,00	200 - 170/1C		
14 I hereby certify that the foregoing is true and correct				_
Name (Printed/Typed)				
Tina Huerta		Regulatory Complia	Ince Supervison DE	וחמחי
Signature (Line) leen to	Date	April 30, 2012	CEPTED FUN NEW	7
THIS SPACE FOR FED	ERAL OF	R STATE OFFICE USE	0 0010	
Approved by		Title	JUN 2 2012	
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	DUDYALL OF LAND MANAGE	MENT
Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for a any false, fictitious or fraudulent statements or representations as to any matter with	any person	knowingly and willfully to make	to an Carrenger of Edelicy of the li	United States

Form 3160-5 continued:

Eddy County, New Mexico

- 7/19/11 Pumped 30 bbls 3% KCL with Petrolite CRW-132 chemical down tubing Pumped 220 bbls 3% KCL with Petrolite CRW-132 down annulus at 4 BPM at 900 psi.
- 2/12/12 NU BOP.
- 2/13/12- Perforated Bone Spring 7723'-7725' (12), 7545'-7547' (12), 7254'-7256' (12), 7015'-7017' (12),
- 2/17/12 6796'-6798' (12), 6550'-6552' (12), 6300'-6302' (12), 6080'-6082' (10), 5830'-5832' (8) and 5600'-5602' (8). ND BOP.
- 3/19/12 Frac Bone Spring 5600'-8333' with slick water and 20# linear gel, spearhead 1000g 15% HCL acid ahead of each stage. Stage 1 3710 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 112,000# 20/40 Propnet. Stage 2 3615 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 119,200# Propnet Stage 3 3625 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 115,200# 20/40 Propnet. Stage 4 3650 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 125,970# 20/40 Propnet. Stage 5 3580 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 119,700# 20/40 Propnet. Stage 6 3510 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 111,285# 20/40 Propnet. Stage 7 3510 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 120,500# 20/40 Propnet. Stage 8 3600 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 121,930# 20/40 Propnet.
- 3/20/12 Stage 9 3594 bbls fluid, 20,000# 40/70 WS, 56,000# 20/40 WS, 110,430# 20/40 Propnet. Flowed a total of 30 bbls fluid in 20 min at 20 psi. Started pumping in again at 5 BPM at 2600 psi. Increased rate slowly to 45 BPM at 5500 psi.
- 3/25/12 Flowed well down from 130 psi to 0 psi in 1 hr. Flowed 20 bbls fluid.
- 3/26/12 RU coil tubing unit. TIH with a wash nozzle, 2" coil tubing to a depth of 4830'. Pressure at manifold 100 psi with 2" wide open. Circulated down in 50' increments. Started lightly tagging while circulating down at 7000'. Pressure increased from 100 psi to 200 psi. Started plugging off plug catcher with fiber. Circulated down from 7000' to 7900' with pressure slowly increasing from 200 psi to 300 psi with 2" wide open. Fiber tapering off at 7900'. Circulated down from 7900'-8333'. Circulated hole clean. RD coil tubing unit. 2-7/8" 6.5# L-80 tubing at 4522'.

Current wellbore schematic attached

Regulatory Reporting Supervisor

April 30, 2012

