

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

5. Lease Serial No.

NM-437522

6 If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well



Oil Well



Gas Well



Other

2 Name of Operator

Yates Petroleum Corporation

3a Address

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

3b Phone No. (include area code)

575-748-1471

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

Surface - 2130'FSL & 330'FEL of Section 13-T18S-R29E (Unit I, NESE)

BHL - 1980'FSL & 330'FWL of Section 13-T18S-R29E (Unit L, NWSW)

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

NA

8 Well Name and No

Slalom BPZ Federal #1H

9 API Well No

30-015-38541

10 Field and Pool or Exploratory Area

Wildcat; Bone Spring

11 County or Parish, State

Eddy County, New Mexico

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



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 Spud and

surface casing

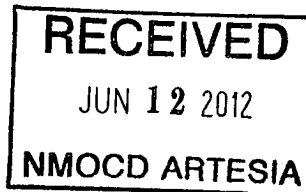
13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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.

5/16/12 Spudded well at 2:00 PM. Set 40' of 20" conductor and cemented with 27 sx redi-mix to surface. Notified Jerry Blakely Carlsbad BLM at 5:30 PM on 5/16/12 of operations

5/20/12 Resumed drilling at 6:00 AM.

5/21/12 TD 17-1/2" hole to 360'. Set 13-3/8" 48# H-40 ST&C casing at 360'. Cemented with 440 sx Class "C" + 10g gel and 2% CaCl (yld 1.34, wt 14.8). Circulated 121 sx to surface. WOC. Tested casing to 1200 psi for 30 min, good. Reduced hole to 12-1/4" and resumed drilling.

Accepted for record
NMOC



14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title Regulatory Reporting Supervisor

Signature

Tina Huerta

Date

May 23, 2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

ACCEPTED FOR RECORD

JUN 10 2012

Date

BUREAU OF LAND MANAGEMENT

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.