

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM62211
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: TINA HUERTA Mail: tinah@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585	8. Well Name and No. HANAGAN APL FEDERAL COM 2H
4. Location of Well (Footage, Sec., T, R, M, or Survey Description) Sec 31 T19S R30E NWSW Lot L 1600FSL 330FWL		9. API Well No. 30-015-39511-00-X1
		10. Field and Pool, or Exploratory WILDCAT
		11. County or Parish, and State EDDY 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	Drilling Operations
	<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 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.)

4/1/12 - Drilled to 7943' KOP and continued to drill directionally.

4/5/12 - Drilled to 8611' and reduced 8-3/4" hole to 8-1/2" hole and continued to drill.

4/12/12 - Reached TD 8-1/2" hole to 12,831' at 5:45 PM. Set 5-1/2" 17# P-110 LT&C casing at 12,795'. DV/stage tool at 5303' and 8513'. Open hole packers at 8700', 8759', 8874', 9033', 9192', 9348', 9502', 9656', 9811', 9965', 10,120', 10,274', 10,428', 10,583', 10,737', 10,891', 11,046', 11,203', 11,357', 11,507', 11,662', 11,816', 11,974', 12,132', 12,290', 12,448' and 12,607'. Frac ports at 8818', 8977', 9136', 9294', 9447', 9602', 9756', 9911', 10,065', 10,219', 10,374', 10,528', 10,682', 10,837', 10,991', 11,148', 11,303', 11,457', 11,607', 11,761', 11,918', 12,075', 12,234', 12,394', 12,551' and dual external hydraulic frac port at 12,725'. Float collar at 12,786'. Cemented with 875 sx PVL + 0.2% D46 + 1.5% D174 + 1% D112 + 0.4% D201 (yld 1.42, wt 13) and 450 sx 35:65 Poz "C" + 0.02% D46 + 6% D020 + 0.3% D112 + 0.5% D44 + 2#/sx D42 + 0.125#/sx D130 + 0.3% D201 (yld 2.08, wt 12.6). Tailed in with 200 sx Class "C" + 0.2% D46 + 3#/sx D42 +

RECEIVED

MAY 31 2012

NMOCD ARTESIA

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

Electronic Submission #137466 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 05/14/2012 (12KMS1918SE)

NMOCD

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 05/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 05/27/2012
	Office Carlsbad	

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 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 ****

Additional data for EC transaction #137466 that would not fit on the form

32. Additional remarks, continued

0.125#/sx D130 + 0.3% D201 + 0.1% D65 (yld 1.35, wt 14.8).
4/16/12 - Rig released at 12:00 PM.