

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. NMNM57274
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585		8. Well Name and No. HARACZ AMO FED 2H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T24S R31E SESW 500FSL 1650FWL 32.197374 N Lat, 103.733625 W Lon		9. API Well No. 30-015-36355-00-X1
		10. Field and Pool, or Exploratory COTTON DRAW
		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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Drilling Operations

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 recompleate 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 recompleation 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.)

7/7/12 - Drilled to KOP 7840' and continued to drill directionally.

7/9/12 - Drilled to 8490' and reduced hole to 8-1/2" and continued to drill directionally.

7/20/12 - Reached TD 8-1/2" hole to 12,626' at 9:15 AM.

7/22/12 - Set 5-1/2" 17# P-110 LT&C buttress casing at 12,600'. DV/stage tool at 6973'. Float collar at 12,509'. Cemented stage 1 with 1025 sx PVL + 1.5% D174 + 0.2% D46 + 0.5% D112 + 0.6% D800 + 0.1% D208 (yld 1.82, wt 13). Circulated 231 sx to pit. Cemented stage 2 with 530 sx 35:65:6 Poz "C" + 5% D44 + 0.2% D46 + 7% D020 + 0.3% D112 + 3#/sx D42 + 0.125#/sx D130 + 0.25% D13 + 0.03g/sx D177 (yld 2.10, wt 12.6). Tailed in with 177 sx 50/50 Poz "C" + 0.125#/sx D130 + 5% D44 + 0.2% D46 + 3#/sx D42 + 0.03g/sx D177 + 0.2% D65 (yld 1.36, wt 14.2). TOC at 3900' calc.

7/23/12 - Rig released at 1:15 PM.

Accepted for record
NMOCD

JRSade 8/29/12

RECEIVED

AUG 22 2012

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct. Electronic Submission #144364 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMS for processing by KURT SIMMONS on 08/03/2012 (12KMS2687SE)	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 07/31/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 08/19/2012
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 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 ****