

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.

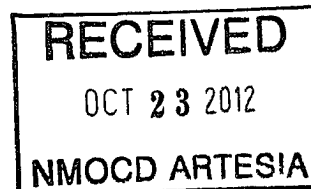
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM88158
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: TINA HUERTA Email: tinah@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No. NMNM128677
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. NANCY ALH FED COM 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T21S R31E SESE 750FSL 330FEL		9. API Well No. 30-015-40127-00-S1
		10. Field and Pool, or Exploratory LOST TANK-DELAWARE
		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 recompleat 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.)

9/9/12 - NU BOP. Tagged DV tool at 4470' and drilled out. Tested DV tool and casing to 1500 psi, held good.
 9/10/12 - Tagged 2nd DV tool at 6285' and drilled out. Tested DV tool and casing to 1500 psi, held good. Tagged PBTD at 10,475'.
 9/11/11 - Pressured tested 5-1/2" casing from surface to 10,475', held good. Pumped down annulus with 500g Xylene and 1200g 15% HCL inhibitor pickle acid. Displaced hole with 3% KCL. Worked scraper across DV tools.
 9/12/12 - Ran Sector/VDL/GR/CC log from 7508' to surface.
 9/13/12-9/24/12 - Perforated Delaware 7590'-10,465'(288). Acidized with 22,451g 7-1/2% HCL acid. Frac with 20# x-linked gel for a total of 1,752,658# 20/40 Jordan sand and 633,100# Super LC.
 9/27/12 - Circulated hole clean down to 10,475'.
 9/29/12 - Perforated Delaware 6582'-6596' (15). Set 2-7/8" 6.4# L-80 tubing at 6796'.



Accepted for record
NMOCD

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #155060 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 10/19/2012 (13KMS3495SE)	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 10/16/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 10/20/2012
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

Additional data for EC transaction #155060 that would not fit on the form

32. Additional remarks, continued

10/13/12 - Date of 1st production - Delaware

Final Bottomhole location 362'FNL & 675'FEL(Unit A, NENE)of Section 24-R21S-R31E. Current wellbore schematic attached.