

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATORS COPY

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. NMNM89049
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: LAURA WATTS Mail: laura@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: 575-748-4272 Fx: 575-748-4585	8. Well Name and No. NUCLEUS BGN FEDERAL 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T19S R30E SWSW 1750FNL 330FWL		9. API Well No. 30-015-39241-00-X1
		10. Field and Pool, or Exploratory WILDCAT Parkway; Bone Spring
		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 Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 recomplate 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.)

4/2/14 - Spudded well with rathole service at 9:30 am. Hole size 36 inch. Set 150 ft of 30 inch conductor and cemented with 594 sacks redi-mix to surface.
4/8/14 - Resumed drilling with rotary tools at 3:30 am. TD 26 inch hole to 305 ft. Set 20 inch 94 lb and 106.5 lb J-55 BT&C casing at 305 ft. Cemented with 575 sacks Class C + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 + 94 lb/sx D903 (yld 1.34, wt 14.8). Cement did not circulate. Ran temperature survey, TOC at 160 ft. Ran 1 inch cement to surface with 360 sacks Class C + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 + 94 lb/sx D903 (yld 1.34, wt 14.8). Notified Sheryl with BLM before and after cement job.
4/10/14 - Tested casing to 1000 psi, held good. Reduced hole to 17-1/2 inch and resumed drilling.
4/12/14 - TD 17-1/2 inch hole to 1,430 ft. Set 13-3/8 inch 48 lb, 54.5 lb J-55 ST&C casing at 1,430 ft. Cemented with 500 sacks Class C + 1 percent D020 + 3 lb/sx D042 + 5 percent D044 + 0.2 percent D046 + 0.125 lb/sx D130 + 94 lb/sx D930 (yld 1.76, wt 13.5). Tailed in with 270 sacks

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 24 2015

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

Electronic Submission #244086 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 06/09/2014 (14CQ0254SE)

Name (Printed/Typed) LAURA WATTS	Title REG REPORTING TECHNICIAN
Signature (Electronic Submission)	Date 05/01/2014

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	Title
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

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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 ****

(A)

Additional data for EC transaction #244086 that would not fit on the form

32. Additional remarks, continued

Class C + 5 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 + 94 lb/sx D903 (yld 1.35; wt 14.8).

Circulated 38 sacks to surface. WOC 41 hours.

4/13/14 - Tested casing to 1500 psi, held good. Reduced hole to 12-1/4 inch and resumed drilling.

4/16/14 - TD 12-1/4 inch hole to 3,525 ft. Set 9-5/8 inch 36 lb J-55 LT&C casing at 3,525 ft.

Cemented stage 1 with 270 sacks Class C + 4 percent D020 + 5 lb/sx D042 + 5 percent D044 + 0.2

percent D046 + 0.3 percent D112 + 0.125 lb/sx D130 (yld 2.13, wt 12.8). Tailed in with 280 sacks

50/50 Poz C + 5 percent D044 + 0.2 percent D046 + 0.2 percent D065 (yld 1.34; wt 14.2). Circulated

73 sacks to the surface. Cemented stage 2 with 430 sacks Class C + 4 percent D020 + 5 lb/sx D042 +

5 percent D044 + 0.2 percent D046 + 0.3 percent D112 + 0.125 lb/sx D130 (yld 2.13, wt 12.8).

Tailed in with 100 sacks Class C + 5 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 (yld 1.35, wt

14.8). Circulated 185 sacks to the surface. WOC 37 hours.

4/18/14 - Tested casing to 1500 psi, held good. Reduced hole to 8-3/4 inch and resumed drilling.