

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTN.M. Oil Cons. Div. Dist. #
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB No 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

JUN 26 2008

2. Name of Operator

OCU-ARTESIA

Yates Petroleum Corporation 25575

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)

(575) 748-1471

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

1980' FNL and 1980' FWL, Unit F (SENW)

Section 23, T15S-R29E

5. Lease Serial No.

NM-100552

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/o

8. Well Name and No.

Carthel BGT Federal #3

9. API Well No.

30-005-64031

10. Field and Pool, or Exploratory Area

Undesignated Sulimar; Queen

11. County or Parish, State

Chaves County, New Mexico

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 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 Change of
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Use Plan
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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.)

Yates Petroleum Corporation respectfully requests to re-route the road to the Carthel BGT Federal #3 due to Archaeological Report.

5 - pages attached, page 1 of Multi-Point Surface Use and Operations Plan (correcting directions), Topo map and (3) Surveyed Road Plats/lay out

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

Name (Printed/Typed)

Debbie L. Caffall

Title

Regulatory Agent/Land Department

Email

debbiec@ypcnm.com

Signature

Date

May 19, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ Jerry Dutchover

Acting Assistant Field Manager,
Lands And Minerals

Date

JUN 18 2008

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

Title 18 U.S.C. Section 1001, 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.

(Instructions on reverse)

Accepted for record - NMOCD

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
YATES PETROLEUM CORPORATION
Carthel BGT Federal #3
1980' FNL and 1980' FWL
Section 23-T15S-R29E
Chaves County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit "A" is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 15 miles north and west of Loco Hills, New Mexico and the access route to the location is indicated in red and green on Exhibit "A".

DIRECTIONS:

Drive east of Artesia on U.S. HIGHWAY 82 for approximately 22.4 miles to Loco Hills, NM, turn left (north) onto County Road 217 (Hagerman cut off). Continue north for approximately 11.4 miles, there will be a lease road on the left. Turn Left (west) and continue on existing lease road for approximately .07 a of a mile, the road will end at a dry hole marker (Carthel BGT Federal #1), the new road will start here at the southwest corner and travel in a northerly direction for approximately 809.5 feet then turn to the west/north direction and travel for approximately 1134.3 feet to the southwest corner of the pad..

2. PLANNED ACCESS ROAD:

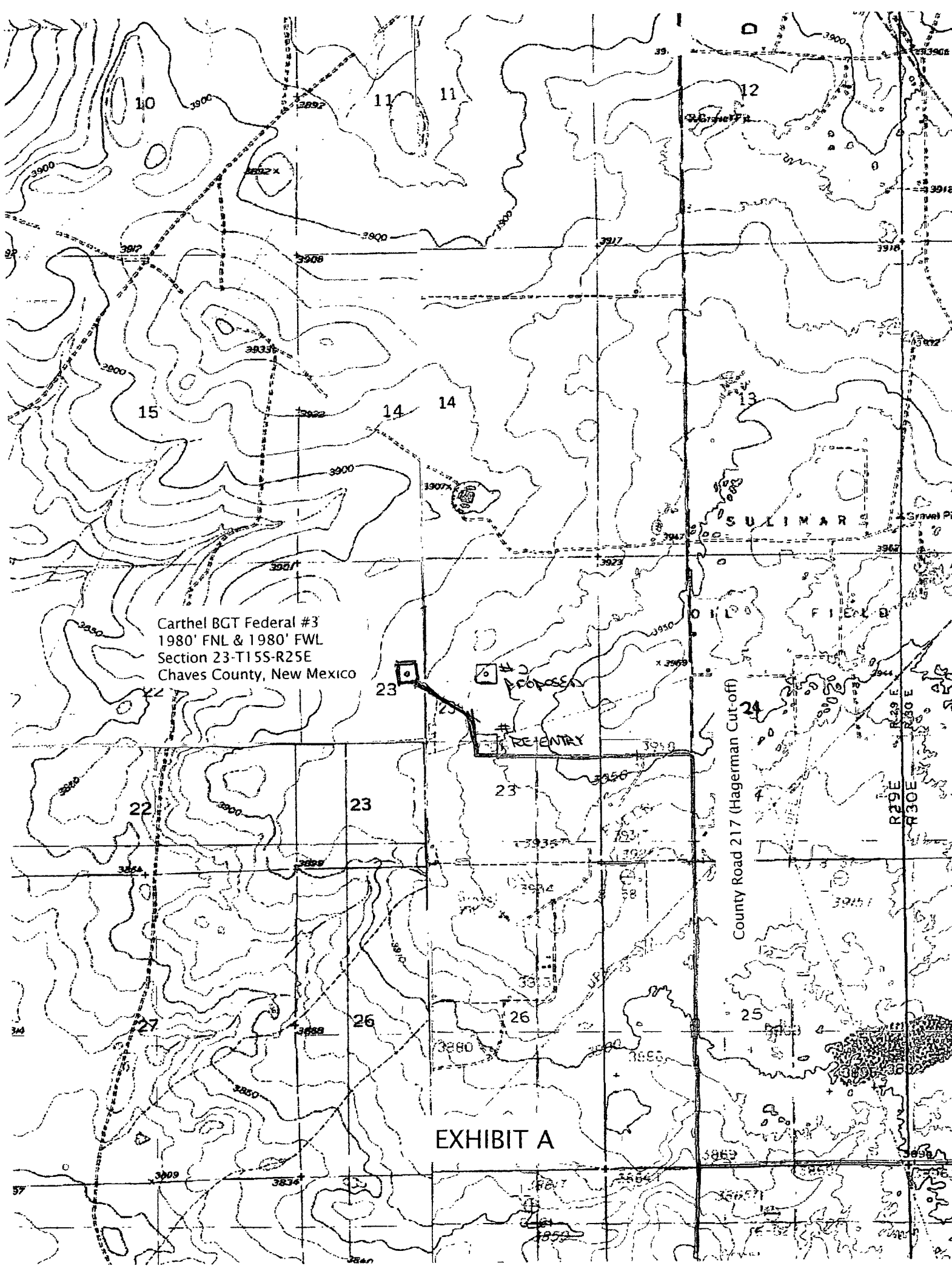
- A. The proposed new access road in Section 23 = 4020.6 feet = 243.67 rods = 0.7 miles = 2.77 acres in length, more or less from the point of origin to the southeast corner of the drilling pad.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on both sides. No traffic turnouts will be needed.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

3. LOCATION OF EXISTING WELL:

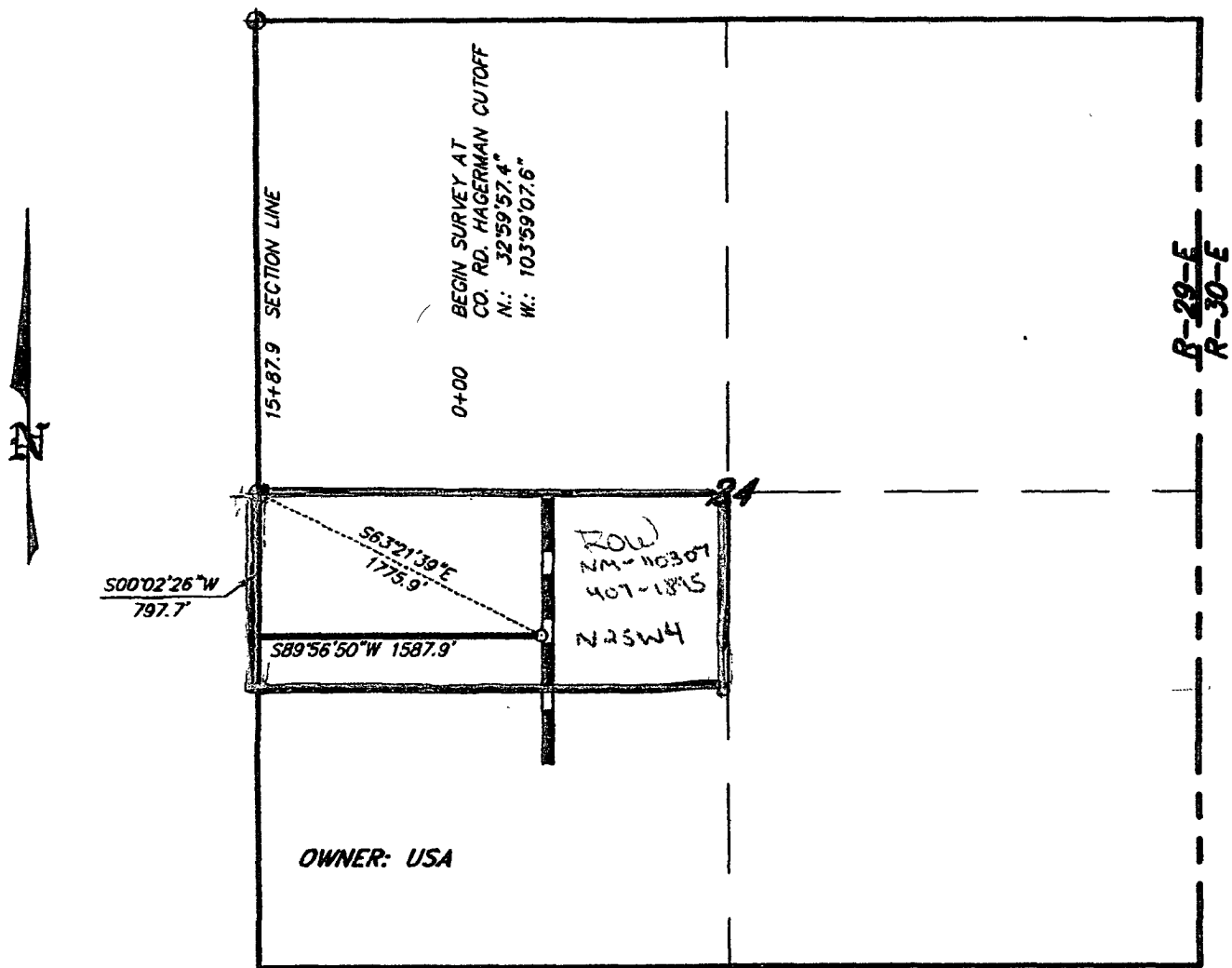
- A. There is no drilling activity within a one-mile radius of the well site.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed well site.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is a producing gas well.



SECTION 24, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M.,
CHAVES COUNTY, NEW MEXICO.

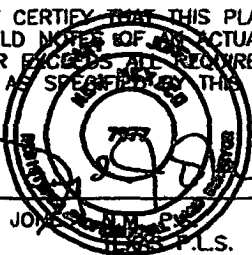


LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 24, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M., CHAVES COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 24 = 1587.9 FEET = 96.24 RODS = 0.30 MILES = 1.09 ACRES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES, N.M.P.S.
STATE OF N.M.

No. 7977
No. 5074

1000 0 1000 2000 FEET

YATES PETROLEUM CORP.

REF: PROPOSED LEASE ROAD TO THE CARTHOL "BGT" FEDERAL #3

A LEASE ROAD CROSSING USA LAND IN
SECTION 24, TOWNSHIP 15 SOUTH, RANGE 29 EAST,
N.M.P.M., CHAVES COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 19702

Drawn By: J. M. SMALL

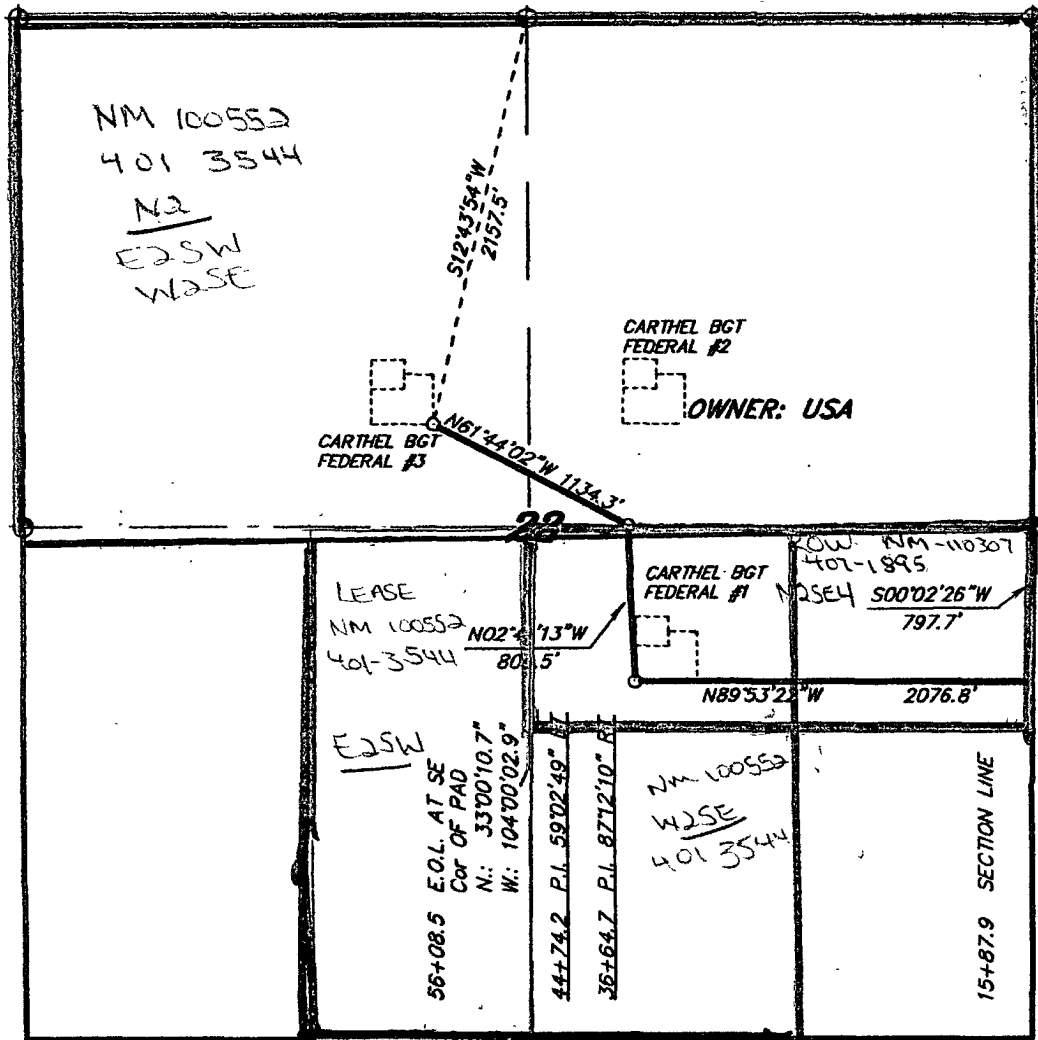
Date: 05-13-2008

Disk: JMS 19702

Survey Date: VARIES

Sheet 1 of 2 Sheets

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M.,
CHAVES COUNTY, NEW MEXICO.

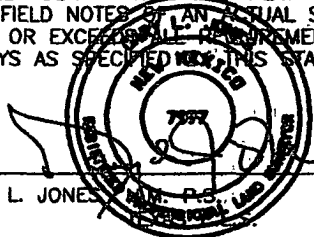


LEGAL DESCRIPTION

A STRIP OF LAND 30.0 FEET WIDE, LOCATED IN SECTION 23, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M., CHAVES COUNTY, NEW MEXICO AND BEING 15.0 FEET LEFT AND RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

SECTION 23 = 4020.6 FEET = 243.67 RODS = 0.76 MILES = 2.77 ACRES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES, N.M. P.S. No. 7977
No. 5074

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 19702 Drawn By: J. M. SMALL

Date: 05-13-2008 Disk: JMS 19702R

1000 0 1000 2000 FEET

YATES PETROLEUM CORP.

REF: PROPOSED LEASE ROAD TO THE CARTEL "BGT" FEDERAL #3

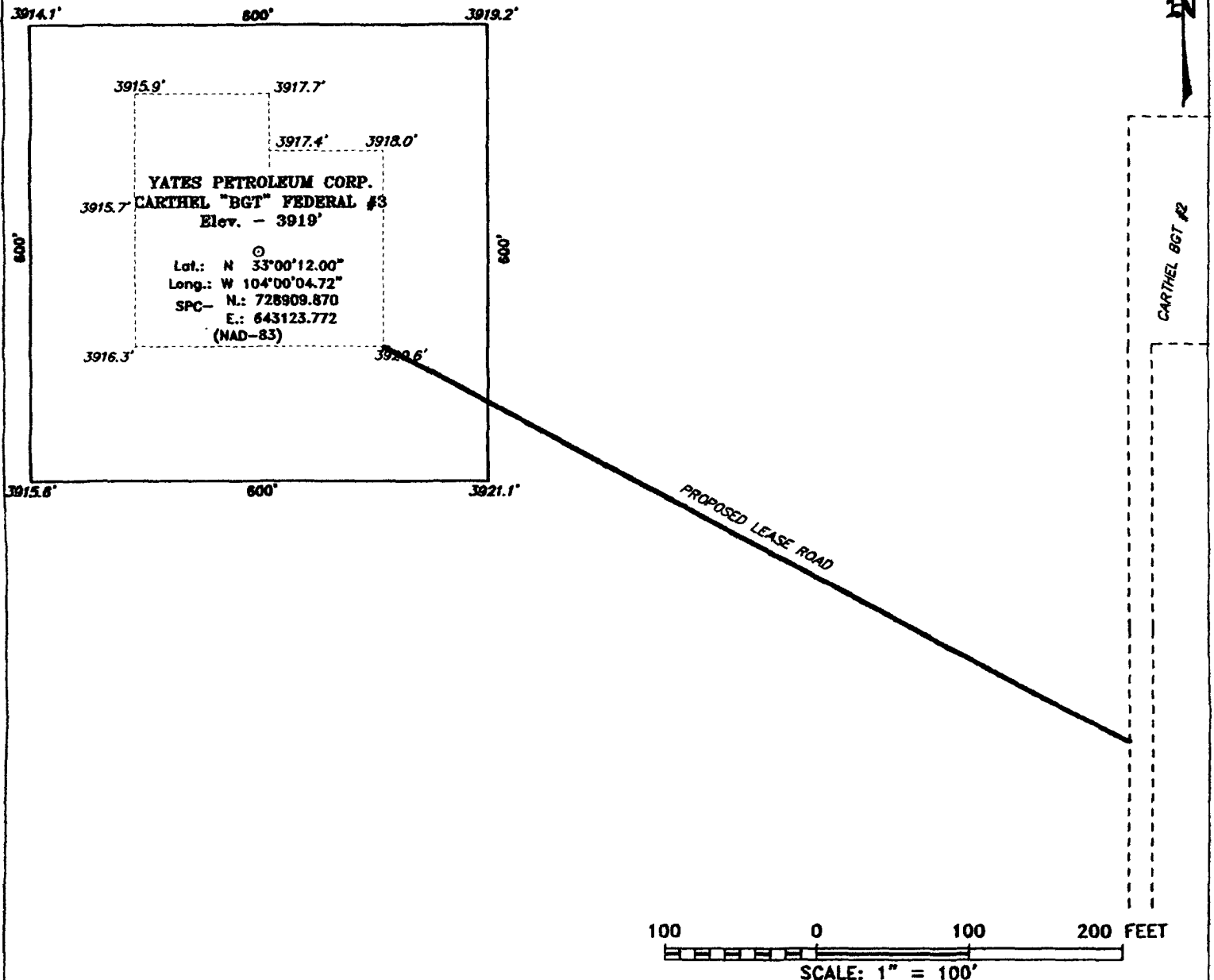
A LEASE ROAD CROSSING USA LAND, IN

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 29 EAST,
N.M.P.M., CHAVES COUNTY, NEW MEXICO.

Survey Date: VARIES

Sheet 2 of 2 Sheets

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 29 EAST, N.M.P.M.,
CHAVES COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF HWY 249 AND HAGERMAN
CUTOFF, GO SOUTH 3.3 MILES TO LEASE ROAD, ON
LEASE ROAD GO WEST 0.6 MILES TO CARTHEL
FEDERAL #1 AND PROPOSED LEASE ROAD TO THE
#3 LOCATION.

Basin Surveys P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 19269

Drawn By: J. M. SMALL

Date: 02-25-2008

Disk: 19269W JMS

YATES PETROLEUM CORP.

REF: CARTHEL "BGT" FEDERAL #3 / WELL PAD TOPO

THE CARTHEL "BGT" FEDERAL #3 LOCATED 1980'

FROM THE NORTH LINE AND 1980' FROM THE WEST LINE OF

SECTION 23, TOWNSHIP 15 SOUTH, RANGE 29 EAST,

N.M.P.M., CHAVES COUNTY, NEW MEXICO.

Survey Date: 02-19-2008

Sheet 1 of 1 Sheets