

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No 1004-0137
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.

5 Lease Serial No
NM-101579

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

Yates Petroleum Corporation

3a Address

105 S. 4th Str., Artesia, NM 88210

3b Phone No (include area code)

575-748-1471

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

Surface - 1998'FSL & 259'FEL of Section 1-T12S-R26E (Unit I, NESE)

BHL - 1900'FSL & 660'FEL of Section 6-T12S-R27E (Unit I, NESE)

7 If Unit or CA/Agreement, Name and/or No.

8 Well Name and No

Grid Iron BLI Federal Com #1H

9. API Well No.

30-005-64033

10. Field and Pool or Exploratory Area

Coyote; Wolfcamp (Gas)

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 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 <u>Intermediate</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Casing</u>
	<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 recomplete 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

11/5/08 Drilled down to kickoff point at 4000'.

11/19/08 TIH open ended to 4302'. Cemented with 420 sx "H" with additives.

11/20/08 Tagged cement at 3795'. Prep to drill out.

11/21/08 Drilled cement to 3908'. WOC. Drilled cement to 3938'. WOC. Drilled cement to 3970'. Decision made to attempt to kick off early at 3970'. Started directionally drilling.

12/8/08 TD 11" hole and set 7" 23#, 26# J-55 LT&C casing at 6085'. Cemented with 795 sx Litecrete + 2#/sx D42 + 0.2% D46 + 1% D153 + 2% D167 (yld 3.19, wt 9.9). Tailed in with 200 sx Class "C" + 0.1% D13 (yld 1.32, wt 14.8). Cement circulated to surface.

ACCEPTED FOR RECORD

JAN 6 2009

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Tina Huerta

Title

Gerry Guye, Deputy Field Inspector
Regulatory Compliance District II ARTESIA

Signature

(Signature of Tina Huerta)

Date

December 16, 2008

ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant's actions are legal or that the 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 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.

(Instructions on page 12) **PETROLEUM ENGINEER**