Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED OMB No. 1004-0137 Expires July 31, 2010

JAN 2 1 2009 SUNDRY NOTICES AND REPORTS ON WELLS 5 Lease Serial No Do not use this form for proposals to drill or to re-enter an NM-57274 OCD-ARTES abandoned well. Use Form 3160-3 (APD) for such proposals. 6 If Indian, Allottee or Tribe Name 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well Х Other 8 Well Name and No. Oil Well Gas Well Haracz AMO Federal #8H 2 Name of Operator Yates Petroleum Corporation 9 API Well No 3b Phone No. (include area code) 30-015-36778 105 S. 4th Str., Artesia, NM 88210 575-748-1471 10. Field and Pool or Exploratory Area 4 Location of Well (Footage, Sec., T., R., M., OR Survey Description) Wildcat; Bone Spring 11 County or Parish, State Surface - 330'FSL & 1980'FEL of Section 23-T24S-R31E (Unit O, SWSE) BHL - 330'FNL & 1980'FEL of Section 23-T24S-R31E (Unit B, NWNE) Eddy County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporanly Abandon Final Abandonment Notice Convert to Injection Water Disposal 13 Describe Proposed of Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof 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 12/26/08 Spudded 20" conductor hole at 10:30 AM. Set 40' of 16" conductor and cemented to surface with redi-mix. ACCEPTED FOR RECORD ACCEPTED FOR RECORD JAN 18 2009 JAN 21 2009 Gerry Guye, Deputy Field Inspector NMOCD-District II ARTES REAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tina Huerta Regulatory Compliance Supervisor December 31, 2008 Date Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Approved by 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

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