

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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.

AUG 29 2009

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other AMENDED		5 Lease Serial No NM-81929
2 Name of Operator Yates Petroleum Corporation		6 If Indian, Allottee or Tribe Name NA
3a Address 105 S. 4th Str., Artesia, NM 88210	3b Phone No (include area code) 575-748-1471	7 If Unit or CA/Agreement, Name and/or No
4 Location of Well (Footage, Sec, T, R, M., OR Survey Description) 1840N & 1763E		8 Well Name and No Zia AHZ Federal Com #1
5 563'FSL & 2425'FEL of Section 11-T20S-R29E (Unit O, SWSE) - Surface 2172'FNL & 1799'FEL of Section 14-T20S-R29E (Unit G, SWNE) - BHL		9 API Well No 30-015-26262
		10 Field and Pool or Exploratory Area Burton Flat; Strawn, East Burton Flat; Morrow, East
		11. County or Parish, State Eddy 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>Downhole</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Commingle and</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>DHC %'s</u>

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 must 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 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.

6/16/09 Installed BOP. Jar on packer. Did not loosen.
6/18/09 Rig up rotary wireline. Fished otis concentric cross-over from 11,037'.
6/19/09 Removed BOP and flanged well up. Rigged down.
7/8/09 MIRU to begin work. Pumped 260 bbls fluid down annulus. Did not load. NU BOP. Rigged up wireline.
Cut tubing at 11,102'. Worked tubing, freed up.
7/14/09 Set 5-1/2" TXT 17# packer and 2-7/8" tubing at 11,010'. Tubing as follows: 1 jt 2-7/8" tbg #1 gas lift valve at 10,972', 24 jts 2-7/8" tbg #2 gas lift valve at 10,204', 39 jts 2-7/8" tbg #3 gas lift valve at 8961', 44 jts 2-7/8" tbg #4 gas lift valve at 7557', 50 jts 2-7/8" tbg #5 gas lift valve at 5961', 56 jts 2-7/8" tbg #6 gas lift valve at 4178'.

WELL IS DOWNHOLE COMMINGLED STRAWN AND MORROW EFFECTIVE 7/09

DHC-4121

Burton Flat; Strawn, East Oil-99% Gas-70.8%
Burton Flat; Morrow, East Oil-1% Gas-29.2%

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tina Huerta		Title Regulatory Compliance Supervisor
Signature		Date August 7, 2009
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 _____
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.		

ACCEPTED FOR RECORD

AUG 24 2009

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

Handwritten initials