

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.

5 Lease Serial No

NM-116044

6 If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

NA

8 Well Name and No

Petrogulf BJT Federal #2H

9 API Well No

30-015-37367

10 Field and Pool or Exploratory Area

Wildcat; Bone Spring

11 County or Parish, State

Eddy County, New Mexico

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 - 1980'FSL & 330'FEL of Section 14-T24S-R31E (Unit I, NESE)

BHL - 1980'FSL & 330'FWL of Section 14-T24S-R31E (Unit L, NWSW)

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Deepen



Production (Start/Resume)



Water Shut-Off



Alter Casing



Fracture Treat



Reclamation



Well Integrity



Casing Repair



New Construction



Recomplete



Other Spud



Change Plans



Plug and Abandon



Temporarily Abandon



Convert to Injection



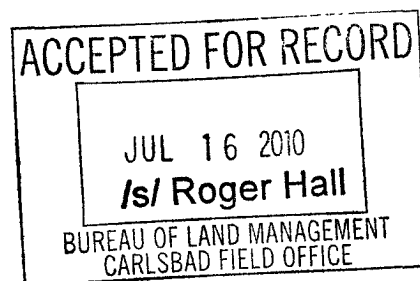
Plug Back



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.

7/1/10 Spudded well at 6:00 PM. Set 90' of 20" conductor and cemented to surface with redi-mix BLM rep, Cheryl de Montigny, was notified of spud time and conductor being set.



14 I hereby certify that the foregoing is true and correct

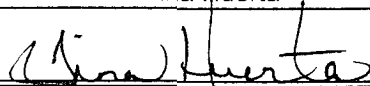
Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature



Date

July 13, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

(Instructions on page 2)