

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-101584 and VA-1750

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.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

2. Name of Operator

Yates Petroleum Corporation

Gem Dandy BCG State Com #2H

3a. Address

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

3b. Phone No. (Include area code)

575-748-1471

9. API Well No.

30-015-37892

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

Surface - 350'FNL & 200'FWL of Section 35-T16S-R27E (Unit D, NWNW)

BHL - 970'FNL & 330'FEL of Section 35-T16S-R27E (Unit A, NENE)

10. Field and Pool or Exploratory Area

Empire; Wolfcamp, NW

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

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other 4-1/2" Liner

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 recompleate 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 recompleation 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.

7/22/10 KOP at 5569' and continued to drill directionally.

8/5/10 Reached TD 6-1/8" hole to 10,632'.

8/7/10 Set 4-1/2" 11.6# HCP-110 liner at 10,620'. TOL at 5249'. Ran peak performance packer assembly. Break circulation with drilling mud. Displaced hole with 3% KCL. Peak open hole isolation packers at 6183', 6357', 6652', 6825', 7079', 7335', 7506', 7760', 7973', 8224', 8437', 8890', 9341', 9595', 9807', 10,021' and 10,471'. Peak Strata-port treating sleeves at 6313', 6489', 6783', 6916', 7251', 7387', 7638', 7850', 8102', 8315', 8768', 9140', 9511', 9685', 9859', 10,113' and Hydraulic Strata Port at 10,574'. Peak Hydraulic set anchor at 10,523'.

8/8/10 Rig released at 1:00 PM.

RECEIVED

DEC 22 2010

NMOCD ARTESIA

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

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Date

August 16, 2010

Accepted for Record

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Office

Date

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