

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

RECEIVED

APR 23 2012

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.

NMOCD ARTESIA

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8 Well Name and No. LECHUZA BQC FEDERAL 1H
2 Name of Operator YATES PETROLEUM CORPORATION		9 API Well No. 30-015-38522
3a Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		10 Field and Pool, or Exploratory HAY HOLLOW; BONE SPRING
3b Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585		11 County or Parish, and State EDDY COUNTY, NM
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T26S R28E NENE 480FNL 100FEL		

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

10/9/11 - Tagged at 2828'. Drilled stringered cement to 2870'. Drilled DV tool at 2870'. Tested DV tool to 1000 psi, held good. Tagged 2nd DV tool at 5944'. Drilled DV tool. Tested DV tool and casing to 2500 psi, held good.
10/10/11 - Worked scraper across DV tools. Ran CBL/GR/CC log from 7172'-1700'.
10/11/11 - Tagged FC at 11,633'. Pumped 1000g 15% HCL pickle acid down annulus. Circulated hole with 3% KCL with Petrolite CRW-132 chemical.
10/12/11 - Perforated Bone Spring 11,623'(6). Pumped 5 bbls 3% KCL with chemicals into perms. Perforated 11,511'(6), 11,399'(6) and 11,287'(6). Pumped 15 bbls 3% KCL with chemicals in all perms.
11/29/11 - Acidized with 1800g 7-1/2% HCL acid. Frac with 7140 bbls fluid, 80,213# 40/70 WS, 141,584# 30/50 WS, 67,829# 20/40 RCS. Perforated 11,175'(6), 11,063'(6), 10,951'(6) and 10,839'(6). Acidized with 1800g 7-1/2% HCL acid. Frac with 7390 bbls fluid, 79,884# 40/70 WS.

ACCEPTED FOR RECORD

FEB 4 2012

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct. Electronic Submission #129523 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad		Accepted for record NMOCD
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR	JCS 4/24/2012
Signature (Electronic Submission)	Date 01/30/2012	

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #129523 that would not fit on the form

32. Additional remarks, continued

148,952# 30/50 WS, 100,543# 20/40 RCS. Perforated 10,727'(6), 10,615'(6), 10,503'(6) and 10,391'(6).

12/3/11 - Pumped 200 bbls brine water down 5-1/2" casing. Flowed well down. NU BOP.

12/4/11 - Pumped 15 bbls brine and well was dead. Latched up to fish at 7200'. Pumped down tubing at 2 BPM at 150 psi. Got hung up in DV tool for 2 hrs at 2860'. Worked through and POOH with guns and setting tool. Cleaned up DV tool. ND BOP.

12/7/11 - Acidized with 1800g 7-1/2% HCL. Frac with 35,000# 40/70 WS and PCM hydraulic hoses broke. Overflush sand with 100 bbls fluid.

12/8/11 - Re-frac with 7271 bbls fluid, 74,708# 40/70 WS, 136,627# 30/50 WS, 6754# 20/40 RCS.

12/9/11 - Circulated sand with 2" jet nozzle from 9200'-10,735'. Circulated hole clean. Pumped 1000g 7-1/2% HCL acid. Pumped slick water behind acid. Spotted 1800g 7-1/2% HCL acid at 10,299'.

Perforated 10,279'(6), 10,167'(6), 10,055'(6) and 9943'(6). Acidized with 1800g 7-1/2% HCL. Frac with 7450 bbls fluid, 75,185# 40/70 WS, 140,741# 30/50 WS, 95,272# 20/40 RCS. Spotted 1800g 7-1/2% HCL acid at 9851'.

Perforated 9831'(6), 9719'(6), 9607'(6) and 9495'(6). Acidized with 1800g 7-1/2% HCL. Frac with 7147 bbls fluid, 69,600# 40/70 WS, 147,702# 30/50 WS, 97,836# 20/40 RCS.

12/11/11 - Spotted 1800g 15% HCL acid at 9403'. Perforated 9383'(6), 9271'(6), 9159'(6) and 9047'(6). Acidized with 1800g 15% HCL acid. Frac with 6845 bbls fluid, 67,625# 40/70 WS, 145,992# 30/50 WS, 83,353# 20/40 RCS. Spotted 1800g 15% HCL acid at 8953'. Perforated 8935'(6), 8823'(6), 8711'(6) and 8599'(6). Acidized with 1800g 15% HCL acid. Frac with 6838 bbls fluid, 74,637# 40/70 WS, 137,950# 30/50 WS, 92,232# 20/40 RCS.

12/12/11 - Spotted 1800g 15% HCL acid at 8507'. Perforated 8487'(6), 8375'(6), 8263'(6) and 8151'(6). Acidized with 1800g 15% HCL acid. Frac with 7101 bbls fluid, 70,666# 40/70 WS, 130,361# 30/50 WS, 94,683# 20/40 RCS. Spotted 1800g 15% HCL acid at 8059'. Perforated 8039'(6), 7927'(6), 7815'(6) and 7703'(6). Acidized with 1800g 15% HCL acid. Frac with 7293 bbls fluid, 74,084# 40/70 WS, 147,524# 30/50 WS, 79,940# 20/40 RCS. Spotted 1800g 15% HCL at 7611'. Perforated 7591'(6), 7479'(6), 7367'(6) and 7255'(6). Acidized with 1800g 15% HCL acid. Frac with 9303 bbls fluid, 85,593# 40/70 WS, 162,972# 30/50 WS, 94,019# 20/40 RCS.

12/15/11 - Circulated hole clean down to PBTD at 11,633'.

1/3/12 - Set an RBP at 2500' and circulated hole with brine. Wellhead completely leveled.

Released RBP and POOH. 2-7/8" L-80 tubing at 6495'.

NOTE: Slick water, 20# linear gel and 25# Borate XL used on all frac stages.

1/23/12 - Date of 1st production - Bone Spring