

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**EC****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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

| | | |
|--|--|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. NMNM28305 |
| 2. Name of Operator YATES PETROLEUM CORPORATION | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 105 SOUTH 4TH STREET ARTESIA, NM 88210 | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585 | | 8. Well Name and No. BINNION TT FEDERAL 5 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T7S R25E NENW 660FNL 1980FWL | | 9. API Well No. 30-005-61829-00-S1 |
| | | 10. Field and Pool, or Exploratory PECOS SLOPE-ABO |
| | | 11. County or Parish, and State CHAVES COUNTY, NM |

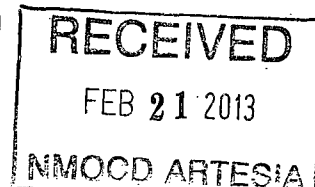
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|--|--|---|
| <input checked="" 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 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 type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <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 recompleat 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.)

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. MIRU any safety equipment as needed. No casing recovery will be attempted.
2. Set a CIBP at 3632 ft with 35 ft cement on top. This will put a plug over Abo perforations and across the top of the Abo.
3. Perforate and spot a 35 sx Class C cement plug from 1492 ft - 1592 ft. This puts a 100 ft cement plug across top of the Glorieta, outside and inside casing.
4. Perforate and spot a 35 sx Class C cement plug from 800 ft - 900 ft. This puts a 100' plug across surface casing shoe, outside and inside casing. WOC and tag plug.
5. Perforate and spot a 25 sx Class C cement plug from 60 ft up to surface, outside and inside casing.
6. Remove all surface equipment, weld dry hole marker and clean location as per regulations.



Redade 2/21/2013
Accepted for record

NMOCD

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

Electronic Submission #195651 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Roswell
Committed to AFMSS for processing by DAVID GLASS on 02/05/2013 (13DRG0508SE)

| | |
|-----------------------------------|--------------------------------|
| Name (Printed/Typed) TINA HUERTA | Title REG REPORTING SUPERVISOR |
| Signature (Electronic Submission) | Date 02/04/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------|-----------------|
| Approved By DAVID R GLASS | Title PETROLEUM ENGINEER | Date 02/05/2013 |
| 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 Roswell |

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.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**APPROVED FOR 3 MONTH PERIOD
ENDING MAY 05 2013**

Revisions to Operator-Submitted EC Data for Sundry Notice #195651

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|---|
| Sundry Type: | ABD NOI | ABD NOI |
| Lease: | NMNM28305 | NMNM28305 |
| Agreement: | | |
| Operator: | YATES PETROLEUM CORPORATION 105 SOUTH FOURTH STREET ARTESIA, NM 88210 Ph: 575-748-1471 | YATES PETROLEUM CORPORATION 105 SOUTH 4TH STREET ARTESIA, NM 88210 |
| Admin Contact: | TINA HUERTA REG REPORTING SUPERVISOR E-Mail: tinah@yatespetroleum.com Ph: 575-748-4168 Fx: 575-748-4585 | TINA HUERTA REG REPORTING SUPERVISOR E-Mail: tinah@yatespetroleum.com Ph: 575-748-4168 Fx: 575-748-4585 |
| Tech Contact: | TINA HUERTA REG REPORTING SUPERVISOR E-Mail: tinah@yatespetroleum.com Ph: 575-748-4168 Fx: 575-748-4585 | TINA HUERTA REG REPORTING SUPERVISOR E-Mail: tinah@yatespetroleum.com Ph: 575-748-4168 Fx: 575-748-4585 |
| Location: | | |
| State: | NM | NM |
| County: | CHAVES | CHAVES |
| Field/Pool: | PECOS SLOPE ABO | PECOS SLOPE-ABO |
| Well/Facility: | BINNION TT FEDERAL 5 Sec 24 T7S R25E NENW 660FNL 1980FWL | BINNION TT FEDERAL 5 Sec 24 T7S R25E NENW 660FNL 1980FWL |

WELL NAME: Binnion TT Fed #5 FIELD: Pecos Slope Abo

LOCATION: 660' FNL & 1980' FWL of Section 24-7S-25E Chaves Co., NM

GL: 3679' GR ZERO: KB:

SPUD DATE: 12/18/82 COMPLETION DATE: 1/23/83

COMMENTS: API 30-005-61829

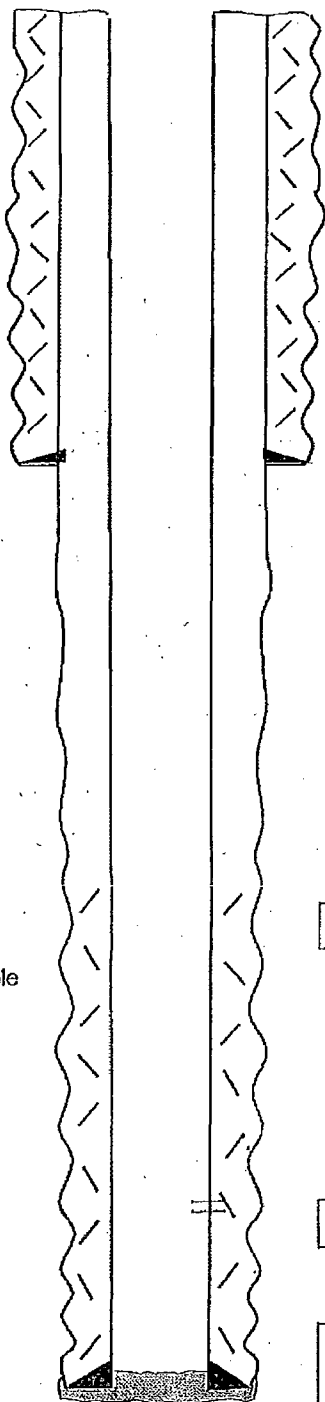
CASING PROGRAM

| | |
|-------------------------|--------|
| 10-3/4" 40.5# J-55 ST&C | 850' |
| 4-1/2" 9.5# J-55 LT&C | 4,242' |
| | |

BEFORE

| | |
|------------|-------|
| Tops: | |
| San Andres | 453' |
| Glorieta | 1542' |
| Abo | 3634' |

14 3/4" Hole



10-3/4" @ 8500'
w/ 700 sx cmt (circ)

TOC @ 3,046' (CBL)

Abo perms: 3,682'-3,948'

4-1/2" @ 4,242'
w/350 sx

PBTD :4,202'
TD : 4,250'

Not to Scale
1/11/13
MMFH

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LOCATION: 660' FNL & 1980' FWL of Section 24-7S-25E

Chaves Co., NM

GL: 3679' GR

ZERO:

KB:

SPUD DATE: 12/18/82 COMPLETION DATE: 1/23/83

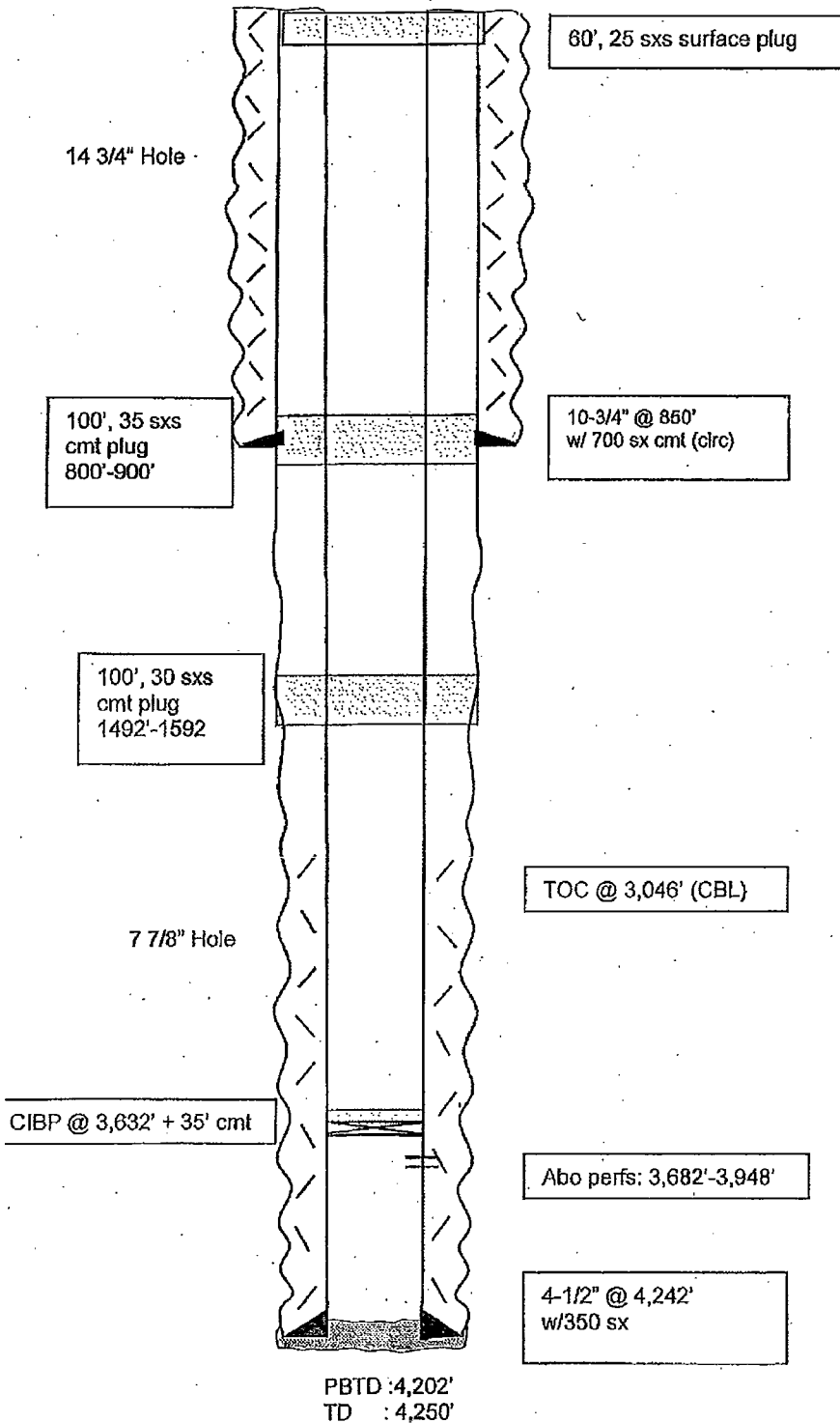
CASING PROGRAM

COMMENTS: API 30-005-61829

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Not to Scale
1/11/13
MMFH

BUREAU OF LAND MANAGEMENT

**Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
(575) 627-0272**

**Permanent Abandonment of Federal Wells
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon. **If you are unable to plug the well by the 90th day provide the BLM Roswell Field Office (RFO), prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action. Unless the well has been properly plugged, the rig shall not be removed from over the hole without prior approval.**

2. Notification: Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.

3. Blowout Preventers: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. Cement Requirement: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.