

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
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.
NMNM65417

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
MARTHA AIK FEDERAL 8H

2. Name of Operator

Contact: LAURA WATTS

YATES PETROLEUM CORPORATION E-Mail: laura@yatespetroleum.com

9. API Well No.
30-015-39733-00-X1

3a. Address

105 SOUTH FOURTH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)

Ph: 575-748-1471

10. Field and Pool, or Exploratory
UNDESIGNATED

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

Sec 11 T22S R31E NENE 430FNL 200FEL

11. County or Parish, and State

EDDY COUNTY, NM

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
Drilling Operations

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.)

10/1/13 - Moved in Rathole Service and spudded with Rat Hole at 3:00 pm. Set 20 inch conductor at 40 ft. Cemented with 4-1/2 yds of pea gravel and redi-mix to the surface.

10/4/13 - Moved in rotary tools. Notified Richard Carrasco with BLM of rig up operations.

10/7/13 - Resumed drilling with rotary tools at 2:00 pm. Notified Joe Salcido with BLM of casing and cement operations.

10/8/13 - NU BOP. Set 13-3/8 inch 48 lb J-55 ST&C casing at 714 ft. Cemented with 450 sacks Class C (yld 1.83, wt 13.5). Tailed in with 180 sacks Class C (yld 1.34, wt 14.8). Tested casing to 1500 lb held ok. WOC 31 hours 45 min. Reduced hole to 12-1/4 and resumed drilling.

10/14/13 - TD 12-1/4 inch hole to 4,453 ft. Set 9-5/8 inch 36 lb and 40 lb J-55 and HCK-55 LT&C casing. Cemented with 850 sacks Class C + 2 lb/sx B288 + 2 lb/sx B289 + 0.3 percent D112 + 0.125 lb/sx D130 + 62 lb/sx D903 + 3 percent D020 + 29 lb/sx D035 + 5 lb/sx D042 + 5 percent D044 + 0.2 percent D046 (yld 2.02, wt 12.8). Tailed in with 180 sacks Class C + 0.125 lb/sx D130 + 47 lb/sx

RECEIVED

DEC 17 2013

NMOOD ARTESIA

Accepted for record
C2D NMOOD 12/17/13

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

Electronic Submission #226122 verified by the BLM Well Information System

For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by JOHNNY DICKERSON on 11/27/2013 (14JLD1656SE)

Name (Printed/Typed) LAURA WATTS

Title REG. REPORTING TECHNICIAN

Signature (Electronic Submission)

Date 11/08/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

JAMES A AMOS
Title SUPERVISOR EPS

Date 12/14/2013

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 Carlsbad

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.

Additional data for EC transaction #226122 that would not fit on the form

32. Additional remarks, continued

D903 + 42 lb/sx D035 + 3 lb/sx D042 + 5 percent D044 + 0.2 percent D046 + 0.1 percent D065 (yld 1.36, wt 14.2)

10/19-20/13 - Notified Jim Hughes with BLM of upcoming casing and cement. Set 7 inch 26 lb J-55 LT&C casing at 7,700 ft. DV and stage tools set at 4507 ft and 6902 ft. Cemented stage 1 with 185 sacks PVL + 2 lb/sx B288 + 2 lb/sx B289 + 3 lb/sx D042 + 0.125 lb/sx D130 + 0.6% D207 + 0.2 percent D46 + 0.4 percent D13 + 0.2 percent D65 (yld 1.97, wt 13.2). Circulated 25 sacks to pit. Cemented stage 2 with 185 sacks PVL + 0.4 percent D013 + 5 lb/sx D042 + 0.125 lb/sx D130 + 5 percent D44 + 0.2 percent D46 + 3 percent D020 + 0.1 percent D65 (yld 1.97, wt 12). Tailed in with 100 sacks 50/50 Poz C + 0.03 gal/sx D177 + 0.02 percent D208 + 5 percent D44 + 2 percent D46 (yld 1.34, wt 14.2). Circulated 142 sacks to pit. Cemented stage 3 with 380 sacks PVL + 5 lb/sx D042 + 0.125 lb/sx D130 + 5 percent D44 + 0.2 percent D46 + 3 percent D020 + 0.035 percent D13 + 0.1 percent D65 (yld 1.97, wt 12). Tailed in with 100 sacks 50/50 Poz C + 0.02 percent D208 + 5 percent D044 + 0.2 percent D46 (yld 1.34, wt 14.2). Circulated 57 sacks to pit.

10/22/13 - Tested casing started at 1580 psi, ended at 1557 psi. WOC 50 hours. Reduced hole to 8-3/4 inch and resumed drilling.

CONTINUED ON ATTACHED SHEET

Martha AIK Federal 8H
Section 11-T22S-R31E
Eddy County, New Mexico
Page 2

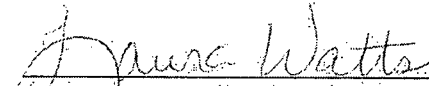
10/24/13 – Drilled 7,700 ft and reduced hole to 6-1/8 inch and continued drilling.

10/31/13 – Reached TD 6-1/8 inch hole to 11,475 ft.

11/3/13 – Notified Michael Valliett with BLM in Carlsbad of upcoming production casing and cementing operations.

11/4/13 – Set 4-1/2 inch 11.6 lb P-110 Buttress and LT&C casing at 11,470 ft. Diversion tool/stage tool set at 7,576 ft. Float collar set at 11,423 ft. Cemented with 290 sacks Pecos Valley Lite + 0.5 percent D112 + 30 percent D151 + 1.5 percent D174 + 0.1 percent D208 + 2 lb/sx D288 + 2 lb/sx D289 + 0.7 percent D800 + 0.2 percent D46 (yld 1.82, wt 13). Circulated 115 sacks to pit. KOP at 7,700 ft.

11/5/13 – Rig released at 9:00 pm.


Regulatory Reporting Technician
November 8, 2013