

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM 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. NMNM1372

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well [X] Oil Well [] Gas Well [] Other

8. Well Name and No. WARREN ANW FED 1

2. Name of Operator YATES PETROLEUM CORPORATION Contact: MICHELLE TAYLOR E-Mail: michelle@yatespetroleum.com

9. API Well No. 30-015-27748-00-S1

3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210

3b. Phone No. (include area code) Ph: 575-748-4205

10. Field and Pool, or Exploratory PENASCO DRAW

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T19S R25E NWSW 1980FSL 660FWL

11. County or Parish, and State EDDY COUNTY, NM

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

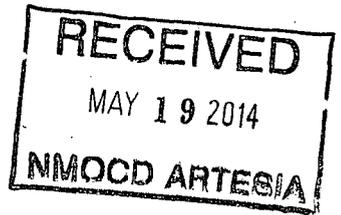
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 is submitting the attached updated site facility diagram to include the use of a vapor recovery system. This system will capture and commingle vapors from tanks located on the Thomas AJJ Deep Com #3 battery- Sec 8-T19S-R25E which includes the wells listed below. Without approval to commingle, these small volumes of vapors would be lost.

- Warren ANW Federal #1-api #30-015-27748. NM1372
Warren AMW Federal #2-api #30-015-28147. NM1372
Thomas AJJ Com #4-api #30-015-26825. NM 85319
Thomas AJJ #6-api #30-015-28412. NON FEDERAL
Roy AET #4-api #30-015-26977. NON FEDERAL

Accepted for record NMOCDFES

5-19-2014



SUBJECT TO LIKE APPROVAL BY STATE

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

Electronic Submission #233547 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by MEIGHAN SALAS on 04/30/2014 (14MMS0002SE)

Name (Printed/Typed) MICHELLE TAYLOR

Title REGULATORY REPORTING MANAGER

Signature (Electronic Submission)

Date 01/28/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

[Signature]

Title EPS

Date 5/17/14

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 CFO

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.

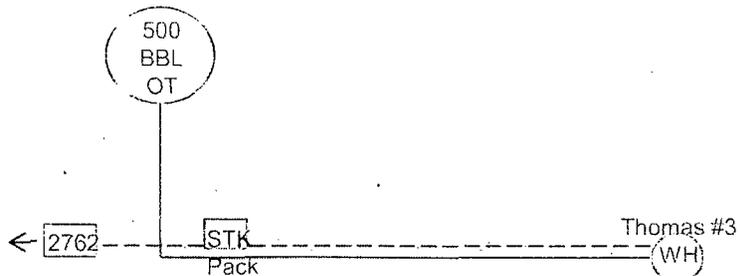
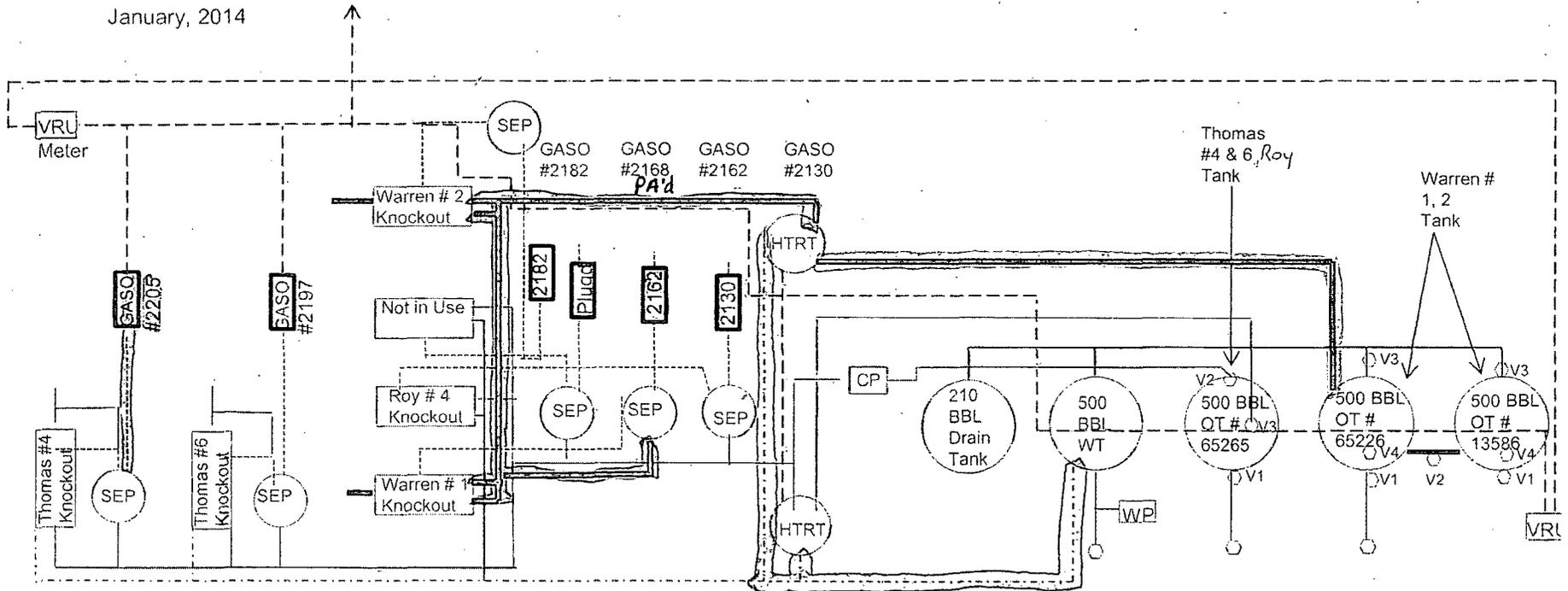
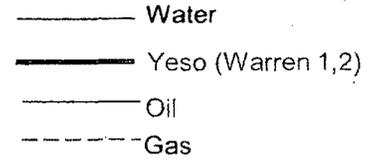


105 South 4th Street * Artesia, NM 88210
(575)-748-1471

-Mike Farmer
January, 2014

THOMAS AJJ #3 BATTERY

1980' FSL & 1980' FEL * Sec8 - T19S R25E * Unit J
Eddy County, New Mexico
API - 3001526824



Warren#1 and #2

Production System Open

Sales: Tank gauge to tank truck

I. Production phase Tank #65226

- a) valve # 4 open
- b) valve # 2 open
- c) valve # 3 sealed
- d) valve # 1 sealed closed
- e) valves on tank #13583 positioned:
 - 1) valve # 4 close
 - 2) valve # 3 sealed closed
 - 3) valve # 1 sealed closed

II. Sales phase Tank #65226

- a) valve # 4 sealed closed
- b) valve # 2 sealed closed
- c) valve # 3 sealed closed
- d) valve # 1 open
- e) valves on tank # 13586 positioned:
 - 1) valve # 4 open
 - 2) valve # 3 sealed
 - 3) valve # 1 sealed closed

This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan which is on file at 105 South 4th Street, Artesia, NM

Vapor Recovery Unit (VRU) Meter Allocation Process

For VRU gas that is not included in the point of measurement meter(s).

VRU metered volumes will be added to the total gas produced/sold volumes. The VRU volumes will be allocated back monthly to each well that has produced into the stock tanks equipped with a vapor recovery system. The allocation will be based on oil production and the same formula and allocation methods will be used to allocate these volumes as is used to allocate the oil produced/sold volumes back to the individual wells as/if applicable.