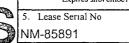


UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT



	5. Lease Serial No
V	NM-85891

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.					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	UN 27 2008		
1 Type of Well	TANKAR STREET	A STATE OF THE STA	A STATE OF THE STA					
X Oil Well Gas Well	Other			8. Well Name and No. OCDARTESIA				
2 Name of Operator					Knoll AOK Federal #2H			
Yates Petroleum Corporation					9. API Well No.			
3a Address 3b Phone No. (include area code)					30-015-35108			
	,	10. Field and Pool, or Exploratory Area						
105 South Fourth Street, Artesia, NM 88210 (505) 748-1471 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					Cedar Canyon; Bone Springs			
Surface: 330' FNL & 480' FE			!	11. County or Parish, State				
BHL: 660' FNL & 330' FWL,	-L-,			11. County of Farish, State				
Section 3, T24S-R29E, Unit	Letter (Surface A) (RHLD)		Eddy, New Mexico				
	APPROPRIATE BOX(ES) TO I		RE OF NOTIC	E. REPORT. OF	OTHER DATA			
TYPE OF SUBMISSION			TYPE OF ACT					
Notice of Intent	= =	Deepen	=	(Start/Resume)	Water Shut-Off			
	= =	Fracture Treat	Reclamation		Well Integrity			
Subsequent Report		New Construction	Recomplete	,	X Other Remedial wor	<u>k</u>		
Final Abandonment Notice		Plug and Abandon Plug Back	Water Dispo					
		-						
13. Describe Proposed or Completed Operatif the proposal is to deepen directionall Attach the Bond under which the work Following completion of the involved or Testing has been completed. Final Abdetermined that the site is ready for final in	nons (clearly state all perturent details, if yo r recomplete horizontally, give subsur will be performed or provide the Bond perations. If the operation results in a mandonment Notices shall be filed only a inspection.)	ictuding estimated star- face locations and mea No. on file with BLM sultiple completion or re- fler all requirements, in	ang date of any pro- sured and true vert /BIA. Required su ecompletion in a ne- ncluding reclamation	posed work and applical depths of all perbsequent reports shaw interval, a Form on, have been complete.	roximate duration thereof. rtinent markers and zones. Ill be filed within 30 days 3160-4 shall be filed once eted, and the operator has			
Yates Petroleum Corporation								
This well is a horizontal drille	· · · · · · · · · · · · · · · · · · ·			-	d to surface. 9 5/8" ir	termediate casing		
was set at 3,170' and cemen		_						
stages with the packer stage		•	-	•				
Slips have been set on 5 1/2"	-			-		•		
tubing head on wellhead. All dov					•			
and monitored daily with reports			_	-	•			
cement. Develop remedial ceme		-	-		•	,		
casing burst rating. Perform rem	= :		-		J.			
Thank-You,	icular comenting work area we	sii is stiiridiated	Completion op	crations to beg	giri iri approx. 4-0 weeks	,. 		
14 I hereby certify that the foregoing	is true and correct							
Name (Printed/Typed)	/ /:	Title						
Jeremiat		_	Dri	lling Enginee	r Asst			
Signature	/ ///	Date		June 18, 20	APPROVE	D		
	THIS SPACE	FOR FEDERAL	OR STATE USE					
Approved by		Title		Date	IIII 1 6 660a			
	-			JUN 18 2003				
Conditions of approval, if any, are attached certify that the applicant holds legal or equit				1 1	Maria			
which would entitle the applicant to conduct				_ _	WESLEY W INCRA	<u>, </u>		
Title 18 U.S.C. Section 1001, make	e it a crime for any person knows	ngly and willfully	to make to any	department or a		ER		
States fictitious or fraudulent stater	ments or representations as to an	y matter within its	jurisdiction					

(Instructions on reverse)

SEE ATTACHED FOR CONDITIONS OF APPROVAL

A CONTRACTOR STATES

Knoll AOK Federal 2H Yates Petroleum Corporation June 18, 2008 Remedial Cementing Conditions of Approval

NOTE: Inadequate pressure test on surface casing. BLM gave variance for 1000 psi and rig tested to 600 psi. Casing tests are to be done in accordance with Onshore Order 2 or per variance.

- 1. Contact BLM 575-361-2822 when work commences on drilling out stage tools.
- 2. Cement Bond Log to be evaluated by operator and BLM prior to any completion operations being started.
- 3. With the potential pressures at the surface for the fracture treatment, it may not be possible to approve the completion work within the casing. The fracture treatment details will be required prior to approving treatment and then remedial cementing.
- 4. Work is to commence within 4-6 weeks as stated no extensions.

WWI 061808