

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTJAN 21 2009
OCD-ARTESIAFORM 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.**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. NMNM112917
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: TINA HUERTA E-Mail: tinah@ypcnm.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 S 4TH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 505.748.4168 Fx: 575.748.4585	8. Well Name and No. MAGELLAN FEDERAL UNIT 3
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T25S R27E NESW 1800FSL 1650FWL		9. API Well No. 30-015-36606-00-S1
		10. Field and Pool, or Exploratory WILDCAT
		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			
<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 recomplete 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.)

11/11/08 Tagged DV tool at 8621'. Drilled out DV tool. Tested to 1500 psi for 30 min.
 11/19/08 Perforated Morrow 12,386'-12,396'(60) and 12,482'-12,492'(60).
 11/30/08 Perforated Morrow 12,156'-12,166'(60) and 12,196'-12,200'(24). Acidized with 1000g
 7-1/2% morrow type acid.
 12/8/08 Frac Morrow 12,156'-12,492' with 35,000g 60Q CO2 foam and 61,000# 20/40 Bauxite.
 12/14/08 Set 4-1/2" AS-1 packer with 1.87" on/off tool and 2-3/8" tubing at 12,070'.

12/18/08 Date of 1st production - Morrow

ACCEPTED FOR RECORD

JAN 21 2009

Garry Guya, Deputy Field Inspector

NM 4000 District, Artesia

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

Electronic Submission #65869 verified by the BLM Well Information System

For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 12/29/2008 (09KMS0551SE)

Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 12/23/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/18/2009
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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **