

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**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.*OCD- Artesia  
FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

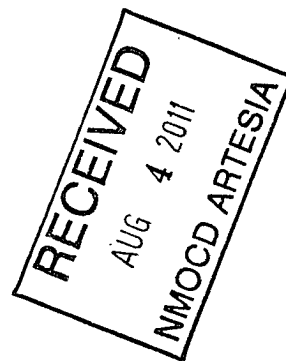
<b>SUBMIT IN TRIPLICATE - Other instructions on reverse side.</b>		5. Lease Serial No NMNM0437523
		6. If Indian, Allottee or Tribe Name
		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. GRATEFUL BOD FEDERAL COM 1H	
2. Name of Operator YATES PETROLEUM CORPORATION	Contact: TINA HUERTA Mail: tinah@yatespetroleum.com	9. API Well No 30-015-38990-00-X1
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585	10. Field and Pool, or Exploratory UNDESIGNATED
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T18S R29E NENE Lot A 786FNL 545FEL ✓		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 Drilling Operations
	<input type="checkbox"/> Change Plans	<input 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.)

7/15/11 - Resumed drilling at 5:00 AM. TD 14-3/4" hole to 381'. Set 11-3/4" 42# H-40 ST&C casing at 381'. Cemented with 150 sx Thixotropic + 10#/bbl CalSeal + 10#/bbl Gilsonite + 0.25#/bbl Poly-E-Flake + 1% CaCl (yld 1.63, wt 14.2). Tailed in with 300 sx Halliburton Lite Premium Plus "C" + 2% CaCl (yld 1.35, wt 14.8). Ran temperature survey and found TOC at 124'. Picked up 1" and tagged cement at 185'. NOTE: Notified Jerry with BLM of depth of temperature survey and cement. Ran 1" and tagged at 185'. Cemented with 80 sx Premium Plus "C" + 3% CaCl (yld 1.35, wt 14.8). WOC. Ran 1" and tagged at 165'. Cemented with 75 sx Premium Plus "C" + 3% CaCl (yld 1.35, wt 14.8). WOC. Ran 1" and tagged at 165'. Cemented with 75 sx Premium Plus "C" + 3% CaCl (yld 1.35, wt 14.8). WOC. Ran 1" and tagged at 160'. Cemented with 70 sx Premium Plus "C" + 3% CaCl (yld 1.35, wt 14.8). WOC. Ran 1" and tagged at 120'. Cemented with 124 sx Premium Plus "C" + 3% CaCl (yld 1.35, wt 14.8). Circulated 10 sx to surface. Tested to 1500 psi high/250 psi low. WOC 43 hrs. Reduced hole to 11" and resumed drilling.



14. I hereby certify that the foregoing is true and correct	
Electronic Submission #113250 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 07/19/2011 (11KMS2081SE)	
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 07/19/2011

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <b>ACCEPTED</b>	JAMES A AMOS Title SUPERVISOR EPS	Date 07/23/2011
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 \*\***