Form 3160\$5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

OCD- Artes, a

| | OMB N Expires: | | |
|-----------|-------------------|------|--|
| ase Seria | l No | | |

| 5. | Lease Serial No | |
|----|-----------------|--|
| | NMNM107383 | |

| 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. | | | | | NMNM107383 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 | | | |
| Type of Well Gas Well □ Otl | ner | | | | 8. Well Name and No. MARCEL BMM FEDERAL 1H | | | |
| 2 Name of Operator Contact: TINA HUERTA YATES PETROLEUM CORPORATIONE-Mail: tinah@yatespetroleum.com | | | | | 9. API Well No 30-015-36845-00-X1 | | | |
| 3a Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210 | | 36 Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585 | | | 10 Field and Pool, or Exploratory WILDCAT | | | |
| 4. Location of Well (Footage, Sec., 7 Sec 1 T16S R29E NENE 109 32.962329 N Lat, 104.020267 |) | | | 11 County or Parish, and State EDDY COUNTY, NM | | | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO | O INDICATE | NATURE OF N | NOTICE, RE | EPORT, OR | OTHER D | АТА | |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | | | | |
| Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Op If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involved testing has been completed. Final Aldetermined that the site is ready for for 11/30/11 - Resumed drilling a 12/1/11 - TD 17-1/2" hole to 4 with 470 sx Class "C" + 0.2% | ally or recomplete horizontally, rk will be performed or provide loperations. If the operation rebandonment Notices shall be final inspection) t 6:00 PM. 10' at 2:45 PM. Set 13-3 | New Plug Plug plug nt details, includi give subsurface the Bond No. or esults in a multipled only after all i | ture Treat Construction and Abandon Back ng estimated starting locations and measu of file with BLM/BIA e completion or rece requirements, includes | Reclama Recomp Rempora Water D g date of any p red and true ve A. Required sul mpletion in a r ling reclamation | lete arily Abandor Disposal roposed work a roposed work a bequent report new interval, a n, have been co | and approxima fall pertinent is shall be filed Form 3160-4 sompleted, and | markers and zones I within 30 days shall be filed once | |
| temperature survey. Ran 1" a Ran 1" and tagged at 197'. C 197'. Cemented with 25 sx C sx Class "C" + 3% CaCl. WO WOC. Notified Paul Swartz w pea gravel on backside of cas 12/3/11 - WOC and put about Class "C" + 3% CaCl. WOC a with 15 sx Class "C" + 3% Ca | and tagged at 225'. Cememented with 25 sx Classlass "C" + 3% CaCl. WO C. Ran 1" and tagged at with BLM on 12/3/11 of not sing to start a foundation of 10 yds pea gravel. Ran and put about 8 yds pea gCl. WOC. | ented with 30 s "C" + 2% Ca C. Ran 1" an 197'. Cemen progress on to get cement 1" and tagged | Sx Class "C" + 2 ICI. WOC. Ran d tagged at 197' atted with 25 sx C I" cement job ar to surface with 1 d at 195'. Cemel | % CaCl. W 1" and tagg Cemented lass "C" + 3 d he Ok'd to 1". nted with 25 | ed at I with 25 % CaCl. o put | DEC | CEIVED 20 2011 DARTECIA | |
| | ## Electronic Submission ## For YATES PETRO ## Itted to AFMSS for process | OLEUM CORP | DRÁTION, sent to RAH MCKINNEY o | o the Carlsba on 12/13/2011 | nd (12DLM0327 | • | | |
| Name (Printed/Typed) TINA HUE | ERTA | | Title REG CO | OMPLIANCE | SUPERVIS | SOR | | |
| Signature (Electronic S | Submission) | | Date 12/13/26 | 011 | | | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE US | SE | | | |
| Approved By ACCEPT | ED | | JAMES A A TitleSUPERVIS | | | | Date 12/17/201 | |
| Conditions of approval, if any, are attached certify that the applicant holds legal or eq which would entitle the applicant to cond | Office Carlsbac | d | | | | | | |

Additional data for EC transaction #125483 that would not fit on the form

32. Additional remarks, continued

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12/4/11 - WOC and put 10 yds pea gravel. Ran 1" and tagged at 190'. Cemented with 25 sx Class "C" + 4% CaCl. WOC and put 10 yds pear gravel. Ran 1" and tagged at 210'. Cemented with 25 sx Class "C" + 4% CaCl. WOC and put 10 yds pea gravel. Ran 1" and tagged at 210'. Cemented with 25 sx Class "C" + 4% CaCl + 15 Fiber seal. WOC. Ran 1" and tagged at 210'. Cemented with 25 sx Class "C" + 4% CaCl + 8 Fiber seal + 8 paper. WOC. Ran 1" and tagged at 209'. Cemented with 25 sx Class "C" + 2% CaCl + 8 Fiber seal + 8 paper. WOC. NOTE: Talked to Wesley Ingram, BLM Engineer, at 9:15 and he Ok'd to put LCM when 1" to see if we could make any progress.
12/5/11 - WOC. Ran 1" and tagged at 209'. Cemented with 25 sx Class "C" + 4% CaCl + 6 cotton hulls + 5 Fiber seal + 6 paper. WOC. Ran 1" and pushed LCM plug down to 180'. Paul Swartz with BLM Ok'd with his Engineer to pump a cement plug at that depth. Cemented with 12 sx Class "C" + 2% CaCl. WOC.

12/6/11 - Tagged at 150'. Ran 1" and tagged at 150'. Cemented with 25 sx Class "C" + 4% CaCl. WOC. Ran 1" and tagged at 150'. Cemented with 25 sx Class "C" + 4% CaCl. WOC. Ran 1" and tagged at 150'. Cemented with 25 sx Class "C" + 6% CaCl. WOC. Ran 1" and tagged at 150'. Cemented with 25 sx Class "C" + 2% CaCl. WOC. Ran 1" and tagged at 130'. Cemented with 25 sx Class "C" + 6% CaCl. WOC. Ran in with 1" to cement and tagged at 92'.

12/7/11 - 1" cement to surface on 20th stage. WOC. Tested casing to 1200 psi for 30 min. Reduced hole to 12-1/4" and resumed drilling.