

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM62211
2. Name of Operator YATES PETROLEUM CORPORATION-Mail: tinah@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585		8. Well Name and No. HANAGAN APL FEDERAL COM 2H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T19S R30E NWSW Lot L 1600FSL 330FWL		9. API Well No. 30-015-39511-00-X1
		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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other
	Drilling Operations
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Convert to Injection

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.)

3/7/12 - Resumed drilling at 6:00 PM.

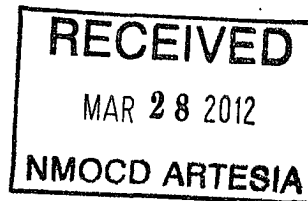
3/8/12 - TD 26" hole to 344'.

3/10/12 - Set 20" H-40 casing at 344'. Cemented with 800 sx Class "C" + 0.125#/sx D130 + 1% S1 + 0.2% D46 + 3#/sx D42 (yld 1.35, wt 14.8). Cement did not circulate.

3/11/12 - Ran Temperature survey and found TOC at 137'. Tagged at 196' and pumped 100 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 176'. Cemented 2nd stage with 50 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 159'. Cemented 3rd stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 124'. Cemented 5th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC.

3/12/12 - Tagged at 124'. Cemented 6th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 108'. Cemented 7th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 113'. Cemented 8th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 108'.

Cemented 9th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 105'. Cemented 10th



Accepted for record
NMOCD

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #133512 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 03/22/2012 (12KMS1292SE)	
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 03/20/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 03/25/2012
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.

Additional data for EC transaction #133512 that would not fit on the form

32. Additional remarks, continued

stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC.

3/13/12 - Tagged at 105'. Cut window in conductor for pea gravel. WOC. Tagged at 105'. Dumped 62 - 5g buckets of pea gravel down conductor for 10' of fill. Tagged at 95'. BLM witnessed.

Cemented 11th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 93'. Cemented 12th stage with 25 sx Class "C" (yld 1.35, wt 14.8). Tagged at 90'. Cemented 13th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 84'. Cemented 14th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC.

3/14/12 - WOC. Tagged at 78'. Cemented 15th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC.

Tagged at 77'. Cemented 16th stage with 25 sx Class "C" (yld 1.35, wt 14.8). WOC. Tagged at 66'.

Cemented 17th stage with 125 sx Class "C" (yld 1.35, wt 14.8). Circulated 25 sx to surface.

Tested casing to 600 psi. Reduced hole to 17-1/2" and resumed drilling.