

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.*5 Lease Serial No.
NMNM0437523

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 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.

GRATEFUL BOD FEDERAL COM 2H

2 Name of Operator

Contact: TINA HUERTA

YATES PETROLEUM CORPORATION-Mail: tinah@yatespetroleum.com

9. API Well No.

30-015-38518-00-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

WILDCAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 13 T18S R29E SENE 1650FNL 330FEL

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 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)

5/20/12 - NU BOP. Tagged DV tool at 4968' and drilled through. Circulated hole clean. Pressure tested DV tool to 2000 psi, held good. Tagged 2nd DV tool at 8107'.

5/21/12 - Drilled through DV tool. Circulated hole clean.

5/22/12 - Cleaned up 1st DV tool. TIH to 2nd DV tool and tagged up. Worked scraper and got it running smooth thru DV tool.

5/23/12 - Ran CBL/GR/CCL logging tools to 8190'. Logged well to surface with 1000 psi on casing. TOC at 2400' est. ND BOP. Pressure tested casing to 3000 psi, held good for 5 min. Opened hydroport at 12,133'. Pumped 133 bbls packer fluid,

6/3/12 - Port 12,133' - Pumped 1000g 7-1/2% HCL acid, 122,710# sand. Dropped 1.625" ball. Port 11,970' - Pumped 1000g 7-1/2% HCL acid, 120,390# sand. Dropped 1.750" ball. Port 11,822' - Pumped 1000g 7-1/2% HCL acid, 121,052# sand. Dropped 1.875" ball. Port 11,665' - Pumped 1000g 7-1/2% HCL acid, 121,386# sand. Dropped 2" ball. Port 11,512' - Pumped 1000g 7-1/2% HCL acid, 121,829# sand.

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NMOCD ARTESIA

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

Electronic Submission #141928 verified by the BLM Well Information System NMOCD
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by BEVERLY WEATHERFORD on 07/11/2012 (12BMW0209SE)

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 06/29/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTEDJAMES A AMOS
Title SUPERVISOR EPS

Date 07/22/2012

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

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

Additional data for EC transaction #141928 that would not fit on the form

32. Additional remarks, continued

Dropped 2.125" ball. Port 11,356' - Pumped 1000g 7-1/2% HCL acid, 121,029# sand. Dropped 2.25" ball. Port 11,197' - Pumped 1000g 7-1/2% HCL acid, 119,746# sand. Dropped 2.375" ball. Port 11,042' - Pumped 1000g 7-1/2% HCL acid, 121,094# sand. Dropped 2.50" ball. Port 10,885' - Pumped 1000g 7-1/2% HCL acid, 122,400# sand.

6/4/12 - Dropped 2.625" ball. Port 10,728' - Pumped 1000g 7-1/2% HCL acid, 121,072# sand. Dropped 2.750" ball. Port 10,570' - Pumped 1000g 7-1/2% HCL acid, 121,682# sand. Dropped 2.875" ball. Port 10,416' - Pumped 1000g 7-1/2% HCL acid, 121,539# sand. Dropped 3.00" ball. Port 10,261' - Pumped 1000g 7-1/2% HCL acid, 120,491# sand. Dropped 3.125" ball. Port 10,102' - Pumped 1000g 7-1/2% HCL acid, 120,873# sand. Dropped 3.250" ball. Port 9946' - Pumped 1000g 7-1/2% HCL acid, 120,083# sand. Dropped 3.375" ball. Port 9791' - Pumped 1000g 7-1/2% HCL acid, 119,878# sand. Dropped 3.50" ball. Port 9633' - Pumped 1000g 7-1/2% HCL acid, 120,513# sand. Dropped 3.625" ball. Port 9474' - Pumped 1000g 7-1/2% HCL acid, 121,095# sand. Dropped 3.750" ball. Port 9315' - Pumped 1000g 7-1/2% HCL acid, 119,228# sand. Dropped 3.875" ball. Port 9156' - Pumped 1000g 7-1/2% HCL acid, 122,747# sand. Dropped 4.00" ball. Port 8996' - Pumped 1000g 7-1/2% HCL acid, 120,894# sand.

6/5/12 - Dropped 4.125" ball. Port 8837' - Pumped 1000g 7-1/2% HCL acid, 120,002# sand. Dropped 4.250" ball. Port 8678' - Pumped 1000g 7-1/2% HCL acid, 112,543# sand. Dropped 4.375" ball. Port 8519' - Pumped 1000g 7-1/2% HCL acid, 127,704# sand. Dropped 4.500" ball. Port 8405' - Pumped 1000g 7-1/2% HCL acid, 143,446# sand. Dropped 4.625" ball. Port 8290' - Pumped 1000g 7-1/2% HCL acid, 127,255# sand. Milled out all ports down to 12,133'.

6/25/12 - Date of 1st production - Bone Spring

Final Bottomhole location is 2017'FNL & 369'FWL (Unit E, SWNW) of Section 13-T18S-R29E