

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 NMNM045276
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 PRESTON FED 25
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T20.5S R23E SESW 660FSL 2310FWL		9. API Well No. 30-015-30120-00-S3
		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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recomple 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.)

8/12/12 - MIRU. Loaded annulus with 3 bbls fluid. NU BOP.

8/13/12 - Tagged fill at 7646' and RBP at 7676'.

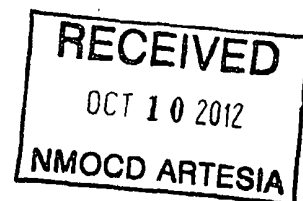
8/14/12 - Pumped down tubing and into Canyon perforations with no circulation on annulus.

Circulated down from 7646' to 7676' and tagged RBP. Pumped a total of 150 bbls fluid. Released RBP.

8/15/12 - Tagged CIBP at 9099'. Pumped 60 bbls fresh water down tubing to clear. Spotted 25 sx Class "H" cement from 9099'-8714'. Pumped 4 bbls fresh water behind cement and let fall. PUH to 8651' and displaced tubing with 60 bbls fluid. Pumped 60 bbls fluid down annulus.

8/16/12 - Tagged cement top in 4-1/2" at 8860'. Terry Wilson-BLM said TOC was good. PUH to 8350'.

Pumped 50 bbls plugging mud down tubing. Spotted 50 sx Class "H" cement with 2% CaCl from 8350'-7877'. Pumped 2 5 bbls fresh water behind cement and let fall. WOC 4 hrs. 4-1/2" liner top at 8029'. Set a 7" 23# Alpha CIBP at 7468'.



Accepted for record

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14. Thereby certify that the foregoing is true and correct	
Electronic Submission #149990 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 09/20/2012 (12KMS3152SE)	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 09/13/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>ACCEPTED</b>	JAMES A AMOS Title SUPERVISOR EPS	Date 10/07/2012
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 #149990 that would not fit on the form**

**32. Additional remarks, continued**

8/19/12 - Tagged CIBP at 7470'. Loaded hole with fresh water. Spotted 30 sx Class "H" cement with 2% CaCl from 7470'-7304'. WOC 4 hrs. Tagged TOC at 7303'. Pressure tested 7" casing from surface to 7470' to 540 psi for 30 min on a chart. Lost 25 psi in 30 min, looked good.  
8/20/12 - Circulated hole with 2% KCL. Perforated Bone Spring 5600'-5578'(30)  
8/21/12 - Spotted 5 bbls 20% HCL acid across perms. Pressure tested casing to 1000 psi. Acidized with 3000g gelled 20% HCL NEFE acid. Dropped 45 balls during job, had ball action but no ball out. Overflushed well with 20 bbls.  
8/26/12 - ND BOP. CST packer and 2-7/8" 6.5# L-80 tubing at 5480'. Test witnessed by Terry Wilson BLM-Carlsbad. Chart attached.