

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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		8. Well Name and No. POLO AOP FEDERAL 1
2. Name of Operator YATES PETROLEUM CORPORATION		9. API Well No. 30-015-28170
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 PENASCO; WOLFCAMP
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 10 T19S R25E NESW 1980FSL 1980FWL		11. County or Parish, and State EDDY COUNTY, NM

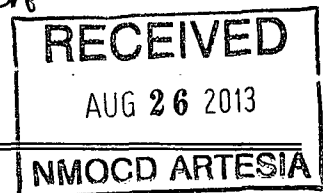
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" 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 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

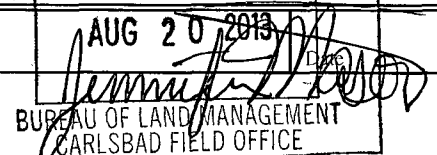
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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.)

Yates Petroleum Corporation plans to plugback and recomplete this well as follows:

1. MIRU all safety equipment as needed. NU BOP. *7690'*
2. RIH with GR/JB to 7710 ft. Set a 7 inch CIBP at *7700* ft and cap with 25 sx Class H cement.
3. Perforate Wolfcamp 6116 ft - 6684 ft (63).
4. Set RBP at *6780* ft and packer at 6620 ft. Acidize with 2500g 15 percent HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Drop 25 1.3 SG RCN ball sealers spaced out evenly throughout the acid. Flush to the bottom perf and over flush by 75 bbls. Swab test and evaluate. If the zone is wet set a CIBP over it at 6600 ft and cap it with *25 - see COA* ft cement. If the zone is productive, release packer and retrieve RBP.
5. Move up hole to set RBP at 6470 ft and packer at 6280 ft. Acidized with 5500g 15 percent HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Drop

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for rec'd *8/27/2013* *tes*

14. I hereby certify that the foregoing is true and correct. Electronic Submission #212301 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 07/02/2013 ()	
Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 07/01/2013
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By _____	Title _____
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 _____



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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Provide C102 to OCD

Additional data for EC transaction #212301 that would not fit on the form

32. Additional remarks, continued

50 1.3 SG RCN ball sealers spaced out evenly throughout the acid. Flush to the bottom perf and over flush by 75 bbls. Swab test and evaluate. Release packer and retrieve RBP. NOTE: If there appears to be communication between this set of perfs and the perfs above the packer, then release packer and pull up to set packer at 6060 ft and pump Step 5 along with Step 6.

6. Move up hole to set RBP at 6275 ft and packer at 6060 ft. Acidized with 5000g 15 percent HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Drop

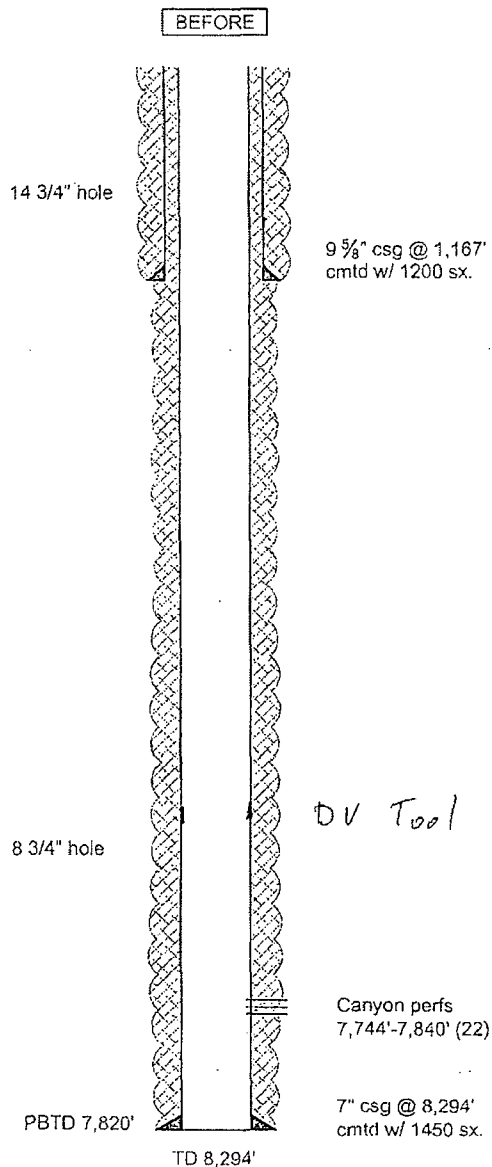
40 1.3 SG RCN ball sealers spaced out evenly throughout the acid. Flush to the bottom perf and over flush by 75 bbls. Swab test and evaluate. Release packer and retrieve RBP.

7. TOH with tools. TIH with production equipment and hang the well off. Turn well over to production.

Wellbore schematics attached

Well Name: Polo AOP Federal #1 Field: Dagger Draw
 Location: 1980' FSL & 1980' FWL Sec 10-19S-25E
 County: Eddy State: New Mexico
 GL: 3,483' Zero: KB:
 Spud Date: 10/5/1995 Completion Date: 1/7/1996
 Comments: API # 30-015-28170

Casing Program	
Size/WV/Grade	Depth Set
9 5/8" 36# J-55	1,167'
7" 26# & 23# J-55	8,294'

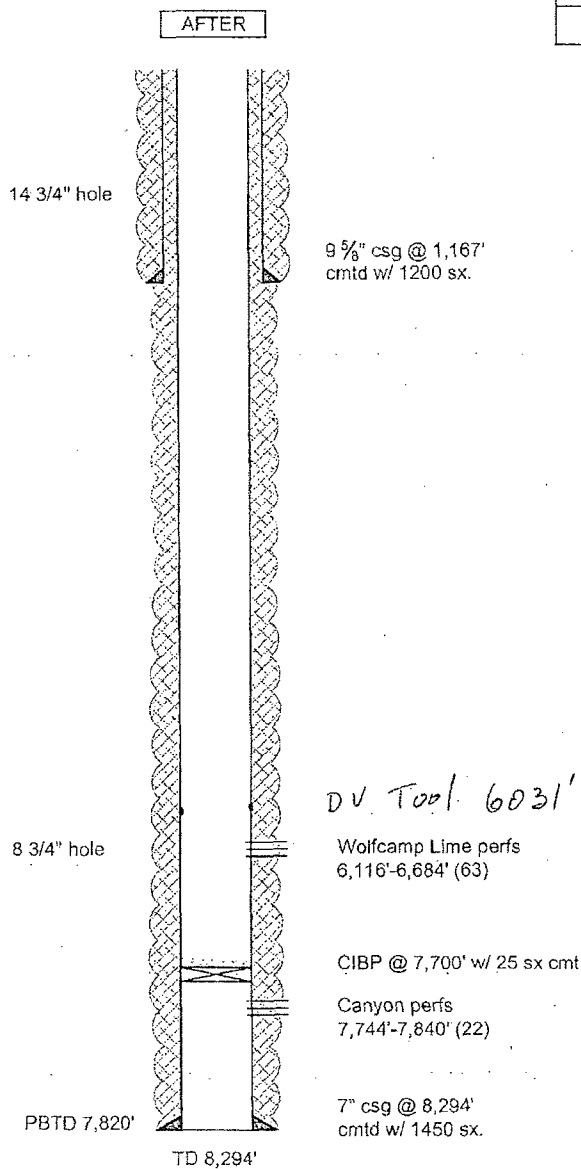


SKETCH NOT TO SCALE

DATE: 5/7/2013

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SKETCH NOT TO SCALE

DATE: 5/7/2013

**Polo AOP Federal 1
30-015-28170
Yates Petroleum Corporation
August 20, 2013
Conditions of Approval**

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by November 20, 2013.

- 1. Operator shall set a CIBP at 7,690' and place 25 sx Class H cement. Tag required.**
- 2. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
- 3. If CIT passes, recompletion is approved as written.**
- 4. If zone is not productive set CIBP 50'-100' above upper most perms with 25 sx cement on top.**
- 5. If zone is found to be non-productive operator must submit a procedure to plug back the well.**
- 6. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 7. Surface disturbance beyond the originally approved pad must have prior approval.**
- 8. Closed loop system required.**
- 9. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 10. Operator to have H2S monitoring equipment on location.**

11. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
12. **Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**

JAM 082013