

Form 3160-5 (April 2004)

Approved by

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

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

MAY 28 2008

FORM APPROVED OMB No. 1004-0135 Expires March 31, 2007

Date

SUNDRY NOTICES AND REPORTS ON WELLS 5 Lease Serial No. OCD-ARTESIA LC-067832-A Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 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 NMNM-106836 1. Type of Well Other 8 Well Name and No Oil Well X Gas Well West Indian Basin Federal Com #2 2 Name of Operator Yates Petroleum Corporation 9 API Well No 3b Phone No (include area code) 30-015-10282 3a Address 575-748-1471 105 S. 4th Str., Artesia, NM 88210 10 Field and Pool, or Exploratory Area 4 Location of Well (Footage, Sec ,T.,R.,M., OR Survey Description) Indian Basin Upper Penn 11 County or Parish, State 1965'FNL & 1659'FEL of Section 20-T21S-R23E (Unit G, SWNE) Eddy County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Reclamation Alter Casing Fracture Treat Well Integrity Casing Repair New Construction Recomplete Subsequent Report Change Plans Plug and Abandon Temporanly Abandon Plug Back Final Abandonment Notice Convert to Injection Water Disposal 13 Describe Proposed of 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.) Well is back on production 5/2008. ACCEPTED FOR RECORD MAY 2 4 2008 J. Amos BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Regulatory Compliance Supervisor Tina Huerta Title May 20, 2008 Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willbully 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 Accepted for record - NMOCD

Title