

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
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.

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5. Lease Serial No
NM-104661

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

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Oil Well

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Gas Well

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Other

JUN 27 2008

2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

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

1060' FNL & 1650' FEL of Section 20-T25S-R26E (Unit B, NWNE)

7. If Unit or CA/Agreement, Name and/or No

NM-116468

8. Well Name and No.

Paintbrush BHR Federal Com #2

9. API Well No

30-015-35711

10. Field and Pool or Exploratory Area

Chosa Draw Morrow

11. County or Parish, 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 checked="" 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Interim reclamation plan in reference to letter NMNM104661 dated 2-21-08.

Remove caliche 200' E to W and 100' N to S. Rip and reseed with appropriate seed mix. This will leave 25' of pad south of deadmen.

Remove misc fencing, pipe, hoses, and wire.

Reclaimed reserve pit covers the west side, north end covered w/ prod equipment, and east side has p/N to S. It also is the access to the meter house.

Please contact Scott Pitts for any additional information. 575-748-4196

APPROVED

JUN 27 2008

JAMES A. AMOS
SUPERVISOR-EPS

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Michelle Taylor

Title Regulatory Compliance Mgr.

Signature

Michelle Taylor

Date June 19, 2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

(Instructions on page 2)

Accepted for record - NMOCB

Yates Petroleum Corporation
NMNM104661; Paintbrush BHR Federal Com #2
1060 FNL & 1650' FEL Section 20, T.25 S., R.26 E.
Eddy County, New Mexico

RE: Interim Reclamation, Conditions of Approval

Interim Reclamation Objectives:

The objective of interim reclamation is to restore vegetative cover and a portion of the landform sufficient to maintain healthy, biologically active topsoil; control erosion; and minimize habitat, visual, and forage loss during the life of the well or facilities.

Onshore Oil and Gas Order No. 1, XII. Abandonment, requires interim reclamation (IR) to be completed within 6 months of well completion. The referenced well was completed March 20, 2008. IR is to be completed by September 20, 2008. If additional time is needed, please contact Bob Ballard at 505-234-2230 prior to due date. Bob should also be notified prior to start and seeding. Seed mixture #2 is to be used as per the APD conditions of approval.

Contact Jim Amos at 505-234-5909 if any questions.

Thanks,

James A. Amos
505-234-5909

6/27/08