

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTDEC - 2 2008
OCD-ARTESIAFORM 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.

5 Lease Serial No

NM-85891

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well



Oil Well



Gas Well



Other

2 Name of Operator

Yates Petroleum Corporation

3a Address

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

3b Phone No (include area code)

575-748-1471

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

Surface - 330'FNL & 480'FEL of Section 3-T24S-R29E (Unit A, NENE)

BHL - 658'FNL & 4342'FEL of Section 3-T24S-R29E (Unit D, NWNW)

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

8 Well Name and No

Knoll AOK Federal #2H

9 API Well No

30-015-35108

10 Field and Pool or Exploratory Area

Cedar Canyon; Bone Spring

11 County or Parish, State

Eddy County, New Mexico

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☒ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other CompletionOperations

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 recompletion 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.

6/30/08 Tagged 1st DV tool at 2761'. Drilled DV tool. Tested DV tool and casing to 1000 psi, held good. Tagged 2nd DV tool at 6205'. Drilled DV tool. Tested DV tool and casing to 1000 psi, held good.

9/24/08 RU and ran 1380' of 1" tubing. Tagged cement top.

9/25/08 Cement 5-1/2" annulus with 316 sx Class "H" Neat. Circulated 10 sx good cement to pit.

9/26/08 Tagged float collar at 11,518'. Pickle with 500g Xylene and 1200g 15% HCL.

9/29/08 Spotted 400g 15% IC acid in openhole 11,558'-11,861'.

10/1/08 Frac openhole with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite. Set FTP at 11,488'. Tested to 4000 psi, held OK. Perforated Bone Spring 11,448'-11,451' (18), 11,356'-11,359' (18), 11,231'-11,234' (18) and 11,106'-11,109' (18). Frac with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite.

ACCEPTED FOR RECORD

CONTINUED ON NEXT PAGE:

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

DEC 4 2008

Title Regulatory Compliance Supervisor

Signature

Gerry Guye, Deputy Field Inspector

Date October 21, 2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

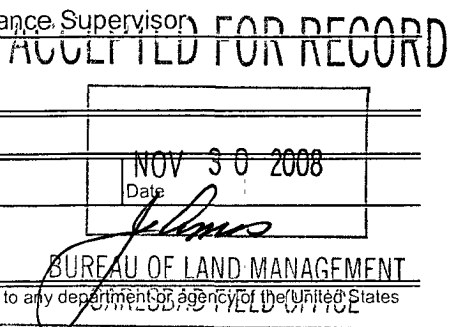
Title

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.

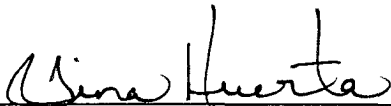
(Instructions on page 2)



Yates Petroleum Corporation
Knoll AOK Federal #2H
Section 3-T24S-R29E
Eddy County, New Mexico

Form 3160-5 continued:

- 10/2/08 Set FTP at 11,044'. Tested to 4000 psi, held OK. Perforated Bone Spring 10,982'-10,985' (18), 10,857'-10,860', 10,732'-10,735' and 10,607'-10,610'. Frac with 132,000g Delta frac 200 and 200,000# 20/40 Expedite. Set FTP at 10,491'. Tested plug to 4000 psi, held OK. Perforated Bone Spring 10,428'-10,432', 10,303'-10,306', 10,178'-10,181' and 10,053'-10,056'. Frac with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite. Set FTP at 9991'. Tested to 4000 psi, held OK. Perforated Bone Spring 9928'-9931', 9803'-9806', 9678'-9681' and 9553'-9556'. Frac with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite. Set FTP at 9491'. Tested to 4000 psi, held OK. Perforated Bone Spring 9428'-9431', 9303'-9306', 9178'-9181' and 9053'-9056'. Frac with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite.
- 10/3/08 Set FTP at 8991'. Tested to 4000 psi, held OK. Perforated Bone Spring 8928'-8931', 8803'-8806', 8690'-8693' and 8553'-8556'. Frac with 132,000g Delta Frac 200 and 200,000# 20/40 Expedite. 5-1/2" 17# WL set AS-1 packer with 2.25" on/off tool and 2-7/8" tubing at 7366'.
- 10/9/08 Date of 1st production - Bone Spring


Regulatory Compliance Supervisor
October 21, 2008