Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA
AUG - 3 2009

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

RM

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-9402

6 If Indian, Allottee or Tribe Name: NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1 Type of Well: [ ] Oil Well [X] Gas Well [ ] Other

8 Well Name and No: Cottonwood Kl Federal Com #2H

2 Name of Operator: Yates Petroleum Corporation

9. API Well No: 30-015-36403

3a Address: 105 S. 4th Str., Artesia, NM 88210

3b Phone No (*include area code*): 575-748-1471

10 Field and Pool or Exploratory Area: Cottonwood Creek; Wolfcamp

4 Location of Well (*Footage, Sec ,T.,R.,M., OR Survey Description*)
1880'FNL & 260'FEL of Section 18-T16S-R25E (Unit H, SENE) - Surface
1767'FNL & 3063'FEL of Section 18-T16S-R25E (Unit F, SENW) - BHL

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	[ ] Acidize	[ ] Deepen	[X] Production (Start/Resume)	[ ] Water Shut-Off
[X] Subsequent Report	[ ] Alter Casing	[ ] Fracture Treat	[ ] Reclamation	[ ] Well Integrity
[ ] Final Abandonment Notice	[ ] Casing Repair	[ ] New Construction	[ ] Recomplete	[X] Other Completion Operations
	[ ] Change Plans	[ ] Plug and Abandon	[ ] Temporarily Abandon	
	[ ] Convert to Injection	[ ] Plug Back	[ ] 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 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

1/1/09 Rig Released at 11:00 PM.

6/2/09 RU lubricator RIH w/plug and guns loaded to pump guns down to 7172'. Spotted 35 bbls 15% HCL acid. Set composite bridge plug at 7172'. Perforated Wolfcamp 7172' (10), 6980' (10), 6788' (10) and 6596' (10). Acidized w/5623g 15% HCL acid. Frac w/130,145g slickwater, 18,383g YF120 and 101,122g YF115 55,220# 40/70 brown sand, 127,500# 20/40 Jordan-Unimin sand.

6/9/09 Pumped 128 bbls down to 6424'. Spotted 1500g HCL acid. Set 5-1/2" flow thru composite plug at 6424'. Perforated Wolfcamp 6404' (10), 6212' (10), 6020' (10) and 5828' (10). Acidized w/5264g 15% HCL acid. Frac w/138,594g slickwater, 17,969g YF120, 101,766g YF115, 56,602# 40/70 brown sand, 127,939# 20/40 Jordan-Unimin sand.

6/10/09 Pumped 80 bbls down to 5656'. Spotted 1500g 15% acid. Set 5-1/2" flow thru composite plug at 5656'. Perforated Wolfcamp 5636' (10), 5444' (10), 5252' (10) and 5060' (10). Frac w/131,973g slickwater, 8016g 15% HCL, 17,975g YF120ST, 108,962g YF115ST, 114,359# 20/40 Jordan-Unimin sand, 58,934# 40/70 brown sand. 2-7/8" tubing at 4521'.

6/17/09 Date of 1st production - Wolfcamp

14 I hereby certify that the foregoing is true and correct
Name (*Printed/Typed*): Tina Huerta — Title: Regulatory Compliance Supervisor

Signature: Tina Huerta — Date: June 24, 2009

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

ACCEPTED FOR RECORD
JUL 27 2009
/s/ Myles Kristof
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)