

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

SEP 23 2009

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.

5 Lease Serial No
NM-117120 - BHL

6 If Indian, Allottee or Tribe Name
NA

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 - 960'FNL & 30'FEL of Section 8-T24S-R29E (Unit A, NENE)

BHL - 990'FNL & 330'FWL of Section 8-T24S-R29E (Unit D, NWNW)

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

NA

8 Well Name and No

Balsam BNL Federal Com #1H

9. API Well No

30-015-37035

10 Field and Pool or Exploratory Area

Wildcat; 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 ProductionCasing

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 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.

7/9/09 TD pilot hole to 7950' at 1:00 PM.

7/10/09 Set isolation plug from 7750'-7950' with 100 sx Class "H" cement with additives. NOTE: Notified Terry-BLM of upcoming operations.

7/11/09 Tagged isolation plug at 7660'. Set kickoff plug 6900'-7300' (calc) with 200 sx Class "H" cement with additives. Tagged kickoff plug at 6805'.

7/12/09 Tagged cement plug at 6814'. Drilled on plug 6814'-6864'. Drilled cement from 6864'-6928'. KOP at 6928'.

7/29/09 Reached TMD 11,156'.

8/8/09 Set 5-1/2" 17# P-110 LT&C casing at 11,156'. Cemented stage 1 with 920 sx PVL + 75#/sx D49 + 0.75#/sx D112 + 22.5#/sx D151 + 1.5#/sx D174 + 0.225#/sx D800 + 0.15#/sx D46 + 0.15#/sx D65 (yld 1.82, wt 13). Stage 2 with 430 sx Class "C" + 0.94#/sx D79 + 1.081#/sx D800 + 94#/sx D903 + 9.4#/sx D124 litefil extender (yld 2.25, wt 12). Drop bomb DV tool after 15-20 bbls broke circulation. Pumped 375 bbls fresh water. Stage 3 with 645 sx PVL + 0.784#/sx D44 + 75#/sx D49 + 0.15#/sx D65 + 0.15#/sx D46 + 0.225#/sx D13 + 0.15#/sx D167 (yld 1.41, wt 13). Stage 1 circulated Per Operator 9-18-09 DW

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

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Date

August 26, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

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.

Title

Office

Date

SEP 18 2009
s/ Dustin Winkler

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)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE