N.M. Oil Cons. DIV-Dist. 2 united states 1301 W. Grand Avenue FORM APPROVED DEPARTMENT OF THE INTE OMB No 1004-0137 EAU OF LAND MANAGEME Artesia. NM 88210 Expires July 31, 2010 NOTICES AND REPORTS ON WELLS 5 Lease Serial No NM-106905 ot use this form for proposals to drill or to re-enter an bandoned 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 page 2. 1 Type of Well 8 Well Name and No Х Gas Well Other Oil Well 2 Name of Operator Touchdown BJC Federal #1 Yates Petroleum Corporation 9. API Well No 30-005-63876 3b Phone No (include area code) 3a Address 105 S. 4th Str., Artesia, NM 88210 575-748-1471 10 Field and Pool or Exploratory Area 4 Location of Well (Footage, Sec , T , R , M , OR Survey Description) Coyote; Wolfcamp 11 County or Parish, State 1980'FSL & 660'FEL of Section 11-T12S-R26E (Unit I, NESE) Chaves County, New Mexico 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Water Shut-Off Acidize Deepen Production (Start/Resume) Well Integrity Notice of Intent Reclamation Alter Casing Fracture Treat Casing Repair New Construction Recomplete ubsequent Report Change Plans Plug and Abandon Temporarily Abandor Final Interim Reclamation Water Disposal Final Abandonment Notice Convert to Injection 13 Describe Proposed of Completed Operation Clearly state all pertinent details including estimated starting date of any proposed work and approximate duration thereof 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 Final Interim Reclamation finished on 3/23/10 ACCEPTED FOR RECORD MAY 0 3 2010 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tina Huerta Regulatory Compliance Supervisor Title March 29, 2010 Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE Date Approved by Title Conditions of approval, if any, are attached. Approval of this notice does not warrant or ROSWELL FIELD OFFICE certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon

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, fictilitious or fraudulent statements or representations as to any matter within its jurisdiction