

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

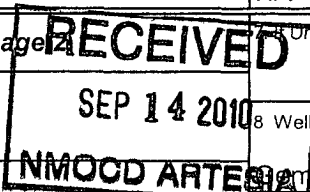
FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

**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-101584 and VA-1750  
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 3b Phone No (include area code)  
105 S. 4th Str., Artesia, NM 88210 575-748-1471

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

Surface - 350'FNL & 200'FWL of Section 35-T16S-R27E (Unit D, NWNW)  
BHL - 970'FNL & 330'FEL of Section 35-T16S-R27E (Unit A, NENE)

7 Unit or CA/Agreement, Name and/or No  
8 Well Name and No  
Dandy BCG State Com #2H  
9 APF Well No  
30-015-37892  
10 Field and Pool or Exploratory Area  
Empire; Wolfcamp, NW  
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			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input 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 checked="" type="checkbox"/> Other <u>Intermediate</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Casing 1 and 2</u>
	<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 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.

7/11/10 TD 12-1/4" hole to 1830'. Set 9-5/8" 36# LT&C J-55 casing at 1830'. Cemented with 50 sx Thixotropic + 10#/bbl CalSeal + 10#/bbl gilsonite + 0.125#/bbl Poly-E-Flake = 1% CaCl (yld 1.63, wt 14.2) and 885 sx Premium Plus + 4% bentonite + 3#/bbl gilsonite + 0.125#/bbl Poly-E-Flake + 2% CaCl (yld 1.75, wt 13.5). Tailed in with 200 sx Premium Plus "C" + 2% CaCl (yld 1.35, wt 14.8). Cement circulated to surface. Tested casing to 1200 psi for 30 min. WOC 25 hrs 30 min. Reduced hole to 8-3/4" and resumed drilling.

7/17/10 Reached TVD of pilot hole to 6250'.

7/18/10 Pumped 120 sx Class "H" cement plug from 5890'-6166'. Circulated and WOC. Did not circulate any cement. Tagged cement at 5890'. Pumped 220 sx Class "H" cement from 5327'-5784'. Circulated excess cement.

7/19/10 TIH with 8-3/4" bit to dress cement. Tagged cement at 5333'. Drilled cement plug from 5333'-5490'. Set 7" 26# LT&C P-110 casing at 5482'. Cemented with 300 sx Interfill + 3# gilsonite + 0.5% Halad-R9 + 0.125# Poly-E-Flake (yld 2.43, wt 11.9). Tailed in with 200 sx PB Super "H" + 0.4% CFR-3 + 3# gilsonite + 0.5% Halad4-344 + 0.125# Poly-E-Flake (yld 1.59, wt 13.2). Cement circulated to surface. Tested casing to 250 psi low/1500 psi high. Reduced hole to 6-1/8" and resumed drilling.

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

Title Regulatory Compliance Supervisor

Signature

Date

August 12, 2010

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 or cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Accepted for record  
NMOC D

ACCEPTED FOR RECORD

SEP 10 2010

/s/ Dustin Winkler

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE