

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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-101579

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

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

2. Name of Operator
Yates Petroleum Corporation

8. Well Name and No.
Quarterback BQG Federal #1

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

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

9. API Well No.
30-005-64138

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)
1980'FSL & 1980'FEL of Section 6-T12S-R27E (Unit J, NWSE)

10. Field and Pool or Exploratory Area
Wildcat; Wolfcamp (Oil)

11. County or Parish, State
Chaves 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 checked="" 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>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operations</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.

11/17/10 Rig released at 9:30 PM.

11/18/10 NU BOP. Tagged float collar at 5515'. Pickled tubing with 600g 15% acid. Displaced with 130 bbls 7% KCL. Ran CCL/GR/Collar log from 5515' up to surface with 1500 psi.

11/19/10 Perforated Wolfcamp 5226', 28', 30', 32', 34', 54', 56', 58', 60', 62', 64', 66', 68', 70', 72', 74', 76', 78', 84', 86', 88', 90', 92', 94', 96', 98', 5300', 02', 04', 08', 10', 12', 14', 16', 18', 20', 22', 26', 28', 30', 32', 34', 36', 44', 46', 48', 50', 52', 54', 56' for a total of 50 holes. Tested casing to 1500 psi, good. Acidized w/10000g 20% HCL acid. Dropped 100 balls - slight ball action. 5-1/2" AS-1 packer with 2.25" on/off tool and 2-7/8" 6.5# J-55 tubing at 5138'.

11/21/10 Date of 1st production

RECEIVED
JAN 10 2011
NMOCD ARTESIA

2010 NOV 23 4:11:29
RECEIVED
BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

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

Title Regulatory Compliance Supervisor

Signature *Tina Huerta*

Date November 22, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **DAVID R. GLASS**
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 _____ Date _____
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) **DAVID R. GLASS**
PETROLEUM ENGINEER

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ENTERED IN
ACMSS