

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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-045276

6. If Indian, Allottee or Tribe Name

## 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)

1900' FSL, 850' FWL Sec 35-T20S-R24E (NWSW)

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

8. Well Name and No.

Preston Federal #1

9. API Well No.

30-015-20349

10. Field and Pool or Exploratory Area

Dagger Draw U/Penn S.

11. County or Parish, State

Eddy Co., NM

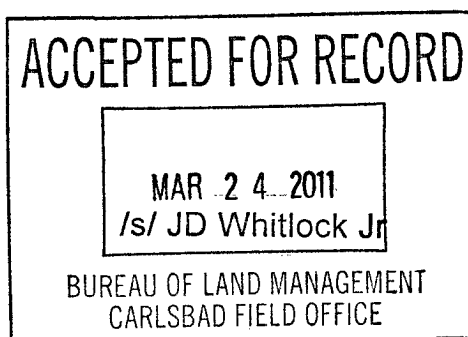
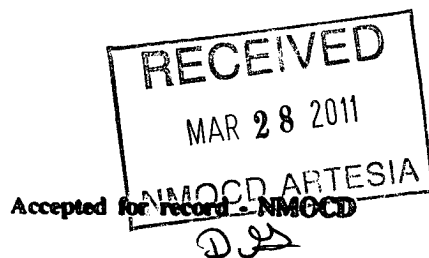
## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	lact disconnect
	<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 recompleat 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 recompleat 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.

Notification of lact disconnect.

Attached new site facility diagram.

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

Michelle Taylor

Title Regulatory Compliance Mgr.

Signature

Date March 1, 2011

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

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)





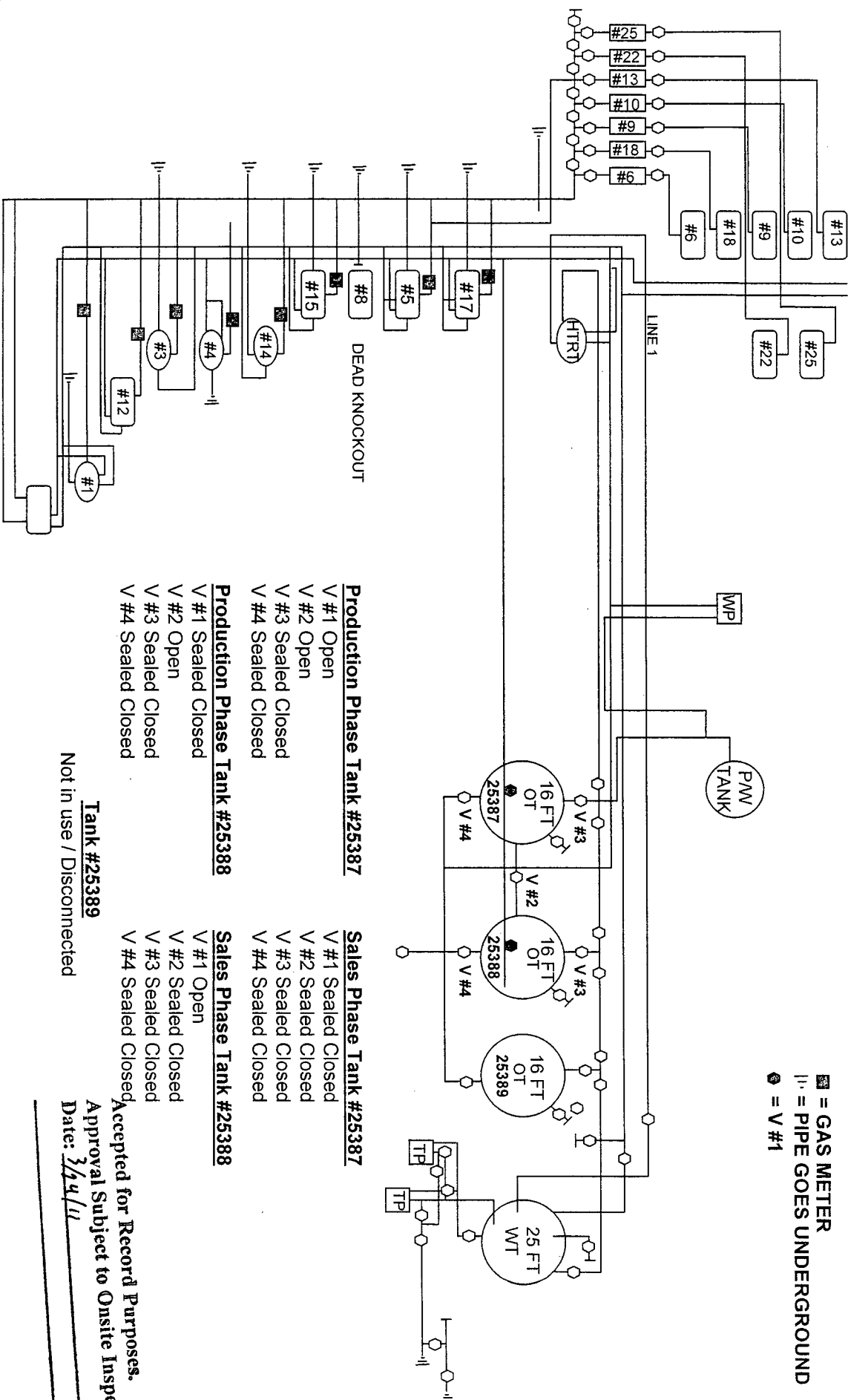
105 South 4th Street \* Artesia, NM 88210  
(575)-748-1471

# PRESTON FEDERAL BATTERY

Sec 35 - T 20S - R 24E  
Eddy County, NM

-Joe Palma  
March, 2011

■ = GAS METER  
|| = PIPE GOES UNDERGROUND  
● = V #1



- Production Phase Tank #25387**
- V #1 Open
  - V #2 Open
  - V #3 Sealed Closed
  - V #4 Sealed Closed
- Production Phase Tank #25388**
- V #1 Sealed Closed
  - V #2 Open
  - V #3 Sealed Closed
  - V #4 Sealed Closed
- Sales Phase Tank #25387**
- V #1 Sealed Closed
  - V #2 Sealed Closed
  - V #3 Sealed Closed
  - V #4 Sealed Closed
- Sales Phase Tank #25388**
- V #1 Open
  - V #2 Sealed Closed
  - V #3 Sealed Closed
  - V #4 Sealed Closed
- Tank #25389**
- Not in use / Disconnected

Accepted for Record Purposes.  
Approval Subject to Onsite Inspections.  
Date: 3/4/11

This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan which is on file at 105 South 4th Street, Artesia, NM