

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD. Artesia

FORM APPROVED
OMB NO. 1004-0135
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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM1372
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585		8. Well Name and No. Multiple--See Attached 28147
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached 28147
		10. Field and Pool, or Exploratory N DAGGER DRAW
		11. County or Parish, and State EDDY COUNTY, 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

9/25/11 - NU BOP. RIH with 5.719" GR/JB to 7750'. Set a CIBP at 7729'. Loaded well with 248 bbls. Tested to 2000 psi for 30 min, good. Bleed well off.

9/26/11 - Spotted a 25 sx Class "H" cement plug on top of CIBP up to 7596'. Spotted 58 bbls 10# liner mud gel up to 6059'. Spotted a 100 sx Class "C" cement plug at 6059' across Wolfcamp and DV tool. TOC at 5462'. Spotted 63 bbls 10# liner mud gel up to 3745'. Spotted a 30 sx Class "C" cement plug at 3745' across Bone Spring top. TOC at 3567'.

9/27/11 - Tested casing to 3000 psi, held good for 30 min. Perforate Yeso 2444'-2448'(5), 2434'-2440'(7), 2424'-2430'(7), 2416'-2422'(7), 2376'-2382'(7), 2330'-2348'(19), 2290'-2324'(35) and 2274'-2286'(13). Loaded and tested casing to 500 psi. Bleed down casing.

9/28/11 - Loaded casing and applied 500 psi. Acidized with 3000g 20% gelled iron controlled HCL acid.

9/29/11 - ND BOP.

RECEIVED

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NMOCD ARTESIA

Accepted for record
NMOCD

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #121509 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 10/31/2011 (12DLM0154SE)	
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 10/27/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 11/02/2011
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 Carlsbad

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #121509 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM1372	NMNM1372	WARREN ANW FED 2	30-015-28147-00-S1	Sec 9 T19S R25E SWSW 660FSL 660FWL
NMNM1372	NMNM1372	WARREN ANW FED 2	30-015-28147-00-S2	Sec 9 T19S R25E SWSW 660FSL 660FWL

32. Additional remarks, continued

10/13/11 - Frac with slickwater with friction reducer, 7131 bbls fluid, 23,101# 100 mesh sand, 42,128# 40/70 brown sand, 102,774# 16/30 white sand. 2-7/8" 6.5# J-55 tubing at 2526'.

10/26/11 - Date of 1st production for recompletion - Yeso