

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 NMNM82902 |
| 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 DOMINO AOJ FEDERAL COM 13H |
| 4. Location of Well (Footage, Sec., T, R, M., or Survey Description) Sec 9 T19S R31E SESE 330FSL 330FEL | | 9. API Well No. 30-015-39544-00-S1 |
| | | 10. Field and Pool, or Exploratory HACKBERRY |
| | | 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 checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Change Plans |
| | <input type="checkbox"/> Convert to Injection |
| | <input type="checkbox"/> Deepen |
| | <input type="checkbox"/> Fracture Treat |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Plug and Abandon |
| | <input type="checkbox"/> Plug Back |
| | <input type="checkbox"/> Production (Start/Resume) |
| | <input type="checkbox"/> Reclamation |
| | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Water Disposal |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Well Integrity |
| | <input checked="" type="checkbox"/> Other Production Start-up |

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.)

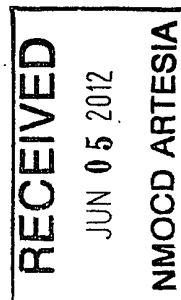
4/11/12 - NU BOP.

4/12/12 - Tagged up at 9155'. Tagged DV tool and began drilling. Drilled up DV tool and debris sub. Circulated hole clean. Circulated hole with 2% KCL water with corrosion inhibitor and oxygen scavenger chemicals.

4/15/12 - Ran CCL/GR/CBL tools. TIH to 9200'. Pressured casing to 1000 psi and held while logging. Logged 200' above est TOC at 2710'. ND BOP.

4/16/12 - Opened hydro port at 13,195'. Pumped 100 bbls 2% KCL with packer fluid. Pumped total of 110 bbls.

4/23/12 - Port 13,195' - pumped 1000g 7-1/2% HCL acid, 122,427# sand. Drilled 1.625" ball for port 13,020'. Did not see port open. Pumped 40 bbls over capacity. Pumped 1000g 7-1/2% HCL acid, 120,243# sand. Drilled 1.750" ball for port 12,860 - pumped 1000g 7-1/2% HCL acid, 122,820# sand. Drilled 1.875" ball for port 12,702' - pumped 1000g 7-1/2% HCL acid, 123,462# sand. Drilled 2"

*Report press test on prod csq*Accepted for record
NMOC Date 6/26/12

| | |
|---|--------------------------------|
| 14. I hereby certify that the foregoing is true and correct. | |
| Electronic Submission #138632 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 05/24/2012 (12KMS2094SE) | |
| Name (Printed/Typed) TINA HUERTA | Title REG REPORTING SUPERVISOR |
| Signature (Electronic Submission) | Date 05/21/2012 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | | |
|--|--|--------------------------------------|-----------------|
| ACCEPTED | | JAMES A AMOS Title SUPERVISOR EPS | Date 06/03/2012 |
| Approved By | | Office Carlsbad | |
| 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 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 #138632 that would not fit on the form

32. Additional remarks, continued

ball for port 12,498' - pumped 1000g 7-1/2% HCL acid, 122,041# sand. Dropped 2.125" ball for port 12,338' - pumped 1000g 7-1/2% HCL acid, 122,125# sand. Dropped 2.25" ball for port 12,178'. Did not see port open. Pumped 1000g 7-1/2% HCL acid, 126,211# sand. Dropped 2.375" ball for port 12,019' - pumped 1000g 7-1/2% HCL acid, 125,657# sand. Dropped 2.50" ball for port 11,815' - pumped 1000g 7-1/2% HCL acid, 122,287# sand. Dropped 2.625" ball for port 11,656' - pumped 1000g 7-1/2% HCL acid, 122,060# sand. Dropped 2.750" ball for port 11,497' - pumped 1000g 7-1/2% HCL acid, 120,105# sand. Dropped 2.875" ball for port 11,338' - pumped 1000g 7-1/2% HCL acid, 120,308# sand. Dropped 3" ball for port 11,134' - pumped 1000g 7-1/2% HCL acid, pumped acid away 4/24/12 - Pumped 123,046# sand. Dropped 3.125" ball for port 10,975' - pumped 1000g 7-1/2% HCL acid, 118,989# sand. Dropped 3.250" ball for port 10,816' - pumped 1000g 7-1/2% HCL acid, 119,365# sand. Dropped 3.375" ball for port 10,657' - pumped 1000g 7-1/2% HCL acid, 120,804# sand. Dropped 3.50" ball for port 10,453' - pumped 1000g 7-1/2% HCL acid, 122,651# sand. Dropped 3.65" ball for port 10,296' - pumped 1000g 7-1/2% HCL acid, 121,700# sand. Dropped 3.750" ball for port 10,136' - pumped 1000g 7-1/2% HCL acid, 119,570# sand. Dropped 3.875" ball for port 9976' - pumped 1000g 7-1/2% HCL acid, 123,636# sand. Dropped 4.00" ball for port 9773' - pumped 1000g 7-1/2% HCL acid, 117,339# sand. Dropped 4.125" ball for port 9614' - pumped 1000g 7-1/2% HCL acid, 119,107# sand. Dropped 4.250" ball for port 9455' - pumped 1000g 7-1/2% HCL acid, 115,208# sand. Dropped 4.375" ball for port 9296' - pumped 1000g 7-1/2% HCL acid, 125,008# sand. 4/25/12 - 4/26/12 - RIH to drill out balls and seats down to 13,195'. 2-7/8" 6.5# L-80 tubing at 8362'.

5/13/12 - Date of 1st production - Bone Spring

Final Bottomhole location is 656'FSL & 362'FWL of Section 9-T19S-R31E
Current wellbore schematic attached

WELL NAME: Domino AOJ Fed Com # 13H FIELD: Hackberry North

LOCATION: 330' FSL & 330' FEL of Section 9-19S-31E.

GL: 3,549' ZERO: KB: 3567.8'

SPUD DATE: COMPLETION DATE:

COMMENTS: API No.: 30-015-39544

CASING PROGRAM

| | |
|------------------------|---------|
| 13-3/8 48# J-55 | 670' |
| 9-5/8" 36# K-55 | 4,188' |
| 5-1/2" 17# L-80, P-110 | 13,265' |

| Stage | Tool | MD Depth |
|-------|-----------------------------------|----------|
| | Guide Shoe | 13,264 |
| | Float Collar | 13,263 |
| | Float Collar | 13,256 |
| | Tool Circulating Sub | 13,253 |
| 1 | Dual Hydraulic External Frac Port | 13,195 |
| | Hydraulic Anchor | 13,135 |
| | RSII Openhole Packer | 13,075 |
| 2 | 1.500" FracPORT | 13,020 |
| | RSII Openhole Packer | 12,961 |
| 3 | 1.625" FracPORT | 12,860 |
| | RSII Openhole Packer | 12,802 |
| 4 | 1.750" FracPORT | 12,702 |
| | RSII Openhole Packer | 12,599 |
| 5 | 1.875" FracPORT | 12,498 |
| | RSII Openhole Packer | 12,439 |
| 6 | 2.000" FracPORT | 12,338 |
| | RSII Openhole Packer | 12,278 |
| 7 | 2.125" FracPORT | 12,178 |
| | RSII Openhole Packer | 12,119 |
| 8 | 2.250" FracPORT | 12,019 |
| | RSII Openhole Packer | 11,916 |
| 9 | 2.375" FracPORT | 11,815 |
| | RSII Openhole Packer | 11,757 |
| 10 | 2.500" FracPORT | 11,656 |
| | RSII Openhole Packer | 11,597 |
| 11 | 2.625" FracPORT | 11,497 |
| | RSII Openhole Packer | 11,439 |

| | | |
|----|------------------------------------|--------|
| 12 | 2.750" FracPORT | 11,338 |
| | RSII Openhole Packer | 11,235 |
| 13 | 2.875" FracPORT | 11,134 |
| | RSII Openhole Packer | 11,076 |
| 14 | 3.000" FracPORT | 10,975 |
| | RSII Openhole Packer | 10,916 |
| 15 | 3.125" FracPORT | 10,816 |
| | RSII Openhole Packer | 10,757 |
| 16 | 3.250" FracPORT | 10,657 |
| | RSII Openhole Packer | 10,553 |
| 17 | 3.375" FracPORT | 10,453 |
| | RSII Openhole Packer | 10,395 |
| 18 | 3.500" FracPORT | 10,298 |
| | RSII Openhole Packer | 10,237 |
| 19 | 3.625" FracPORT | 10,136 |
| | RSII Openhole Packer | 10,077 |
| 20 | 3.750" FracPORT | 9,976 |
| | RSII Openhole Packer | 9,873 |
| 21 | 3.875" FracPORT | 9,773 |
| | RSII Openhole Packer | 9,714 |
| 22 | 4.000" FracPORT | 9,614 |
| | RSII Openhole Packer | 9,555 |
| 23 | 4.125" FracPORT | 9,455 |
| | RSII Openhole Packer | 9,351 |
| 24 | 4.250" FracPORT | 9,295 |
| | RSII Openhole Packer | 9,237 |
| | Hydraulic Anchor | 9,177 |
| | 1.75" Debris Sub | 9,169 |
| | 3rd Party DV Tool | 9,167 |
| | 5.5" 17.0# 1ft P-110 BTC x LTC X-O | 8,457 |

17-1/2" Hole

12-1/4" Hole

KO Point @ 8,501'

8-3/4" Hole

13-3/8" @ 670' w/
710 sx (Circ.)

Est. TOC @ +/- 2,835'

9-5/8" @ 4,188' w/
2,160 sx (Circ.)

Stage # 1 w/ ??? sx (Circ.)

DV Tool @ 9,167'

8-1/2" Hole

5-1/2" @
MD 13,265'
TVD 8,833'