

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM93190
2. Name of Operator YATES PETROLEUM CORPORATION-Mail: tinah@yatespetroleum.com		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. LUCKY LOBO ASX FEDERAL COM 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T16S R27E SESE 660FSL 1200FEL		9. API Well No. 30-015-33411
		10. Field and Pool, or Exploratory WILDCAT; UPPER PENN
		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 checked="" 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 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.)

Yates Petroleum Corporation plans to plugback and recompleat this well as follows:

1. MIRU. NU BOP. Release packer.
2. Set a CIBP at 8820' with 35' cement on top. Perforate Cisco 7438'-7610'(92):
3. Straddle interval 7546'-7610'. Swab down.
4. Acidize with 4000g 15% NEFE HCl with 75 ball sealers. Flow and swab.
5. Straddle interval 7438'-7500'. Swab down.
6. Acidize with 3000g 15% NEFE HCl with 60 ball sealers. Flow and swab.
7. If above zones are economic, run appropriate production string and turn over to production.

Wellbore schematics attached.

Accepted for  
NMOC D [Signature]SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED

DEC 11 2012

14. Thereby certify that the foregoing is true and correct.

Electronic Submission #151316 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by KURT SIMMONS on 09/28/2012 ()

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 09/21/2012

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

APPROVED

DEC 7 2012

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

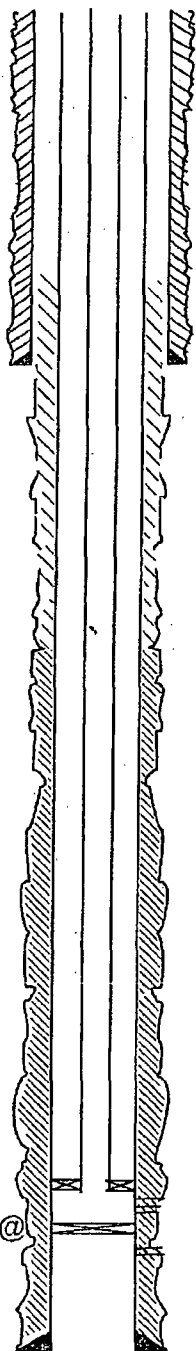
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED\*\*

<b>Well Name:</b> Lucky Lobo ASX Fed Com #2		<b>Field:</b>	
<b>Location:</b> 660' FSL & 1200' FEL Sec. 28-16S-27E Eddy Co, NM			
<b>GL:</b> 3439'	<b>Zero:</b>	<b>AGL:</b>	<b>KB:</b> xxxx'
<b>Spud Date:</b>		<b>Completion Date:</b>	
<b>Comments:</b>			

Casing Program	
Size/Wt/Grade/Conn	Depth
9 5/8" 36# J55	1432'
5 1/2" 15.5&17# J55&P110	9170'

TOC 900'  
by calc.



9 5/8" csg @ 1432'. Cmtd w/ 1200 sx. Cmt circ.

Pkr @ 8476'

Composite plg @  
8820'

Morrow perfs 8726-56'

Morrow perfs 8856-62'

5 1/2" csg @ 9170' Cmtd w/ 2200 sx

TD 9170'  
PBTD 9121'

## CURRENT CONFIGURATION

Date: 9/11/12 Lucky Lobo #2

Well Name: Lucky Lobo ASX Fed Com #2		Field:
Location: 660' FSL & 1200' FEL Sec. 28-16S-27E Eddy Co, NM		
GL: 3439'	Zero:	AGL: KB: xxxx'
Spud Date:		Completion Date:
Comments:		

Casing Program	
Size/Wt/Grade/Conn	Depth
9 5/8" 36# J55	1432'
5 1/2" 15.5&17# J55&P110	9170'

## PROPOSED CONFIGURATION

TOC 900'  
by calc.

9 5/8" csg @ 1432'. Cmtd w/ 1200 sx. Cmt circ.

Cisco perfs 7438-45', 62-64', 94-7500'  
7546-58', 65-73', 99-7610'

CIBP@8820'+  
35' cement  
Composite plg@  
8820'

Morrow perfs 8726-56'

Morrow perfs 8856-62'

5 1/2" csg @ 9170' Cmtd w/ 2200 sx

TD 9170'  
PBTD 9121'

Date: 9/20/12 Lucky Lobo #2a

**Lucky Lobo ASX Federal Com 2**  
**30-015-33411**  
**Yates Petroleum Corporation**  
**December 07, 2012**  
**Conditions of Approval**

**Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.**

**Work to be completed by March 07, 2012.**

- 1. Surface disturbance beyond the originally approved pad must have prior approval.**
- 2. Closed loop system required.**
- 3. Operator to have H2S monitoring equipment on location.**
- 4. A minimum of a 3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 5. Operator shall set CIBP across top of the Morrow formation, which is shown as 8,670' in the geological report. Plug shall be 190' in length and a minimum of 25 sacks of neat Class H cement. Plug to be set from approximately 8,670' to 8,480'.**
- 6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 7. Subsequent sundry required detailing work done and completion report for new zone. Operator to include well bore schematic of current well condition when work is complete.**
- 8. If recompletion is successful remove, well shall be renamed. Submit NOI to remove "com".**
- 9. CA will terminate when well is plugged back.**

**JAM 120712**