

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.

5. Lease Serial No.
NMNM100549

6. If Indian, Allottee or Tribe Name

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

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		8. Well Name and No. BLAST BLA FEDERAL 1
2. Name of Operator YATES PETROLEUM CORPORATION Contact: TINA HUERTA E-Mail: tinah@yatespetroleum.com		9. API Well No. 30-015-36136
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585	10. Field and Pool, or Exploratory WILDCAT; WOLFCAMP
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T26S R27E NWSE 1980FSL 1650FEL		11. County or Parish, and State EDDY COUNTY, NM

RECEIVED
MAY 13 2013
NM/OCD ARTESIA

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 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 shall 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 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 recomplete this well as follows:

- MIRU any safety equipment as needed. NU BOP.
- Load hole as necessary with treated water to POOH with tubing and packer.
- Set a CIBP at 12,044 ft and cap with 35 ft of cement. Perforate Wolfcamp 10,002 ft - 10,122 ft (134).
- Set packer at 9752 ft. Swab test and evaluate.
- Pump 5000g 7-1/2 percent MSA with a nitrogen assist, 2000 scf/bbl. Drop 75 1.3 SG RCN ball sealers spaced out evenly throughout the acid. Flush to the bottom perf with treated water and N2.
- Flow well back until it cleans up.
- Turn well over to production.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

**SUBJECT TO LIKE
APPROVAL BY STATE**

Accepted for record
Provide 1102 NM/OCD [Signature] 5/14/2013

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #198616 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 02/12/2013 ()

Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 02/12/2013

APPROVED

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	<p style="border: 1px solid black; padding: 5px;">MAY 7 2013</p> <p style="border: 1px solid black; padding: 5px;">BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</p>

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.

Additional data for EC transaction #198616 that would not fit on the form

32. Additional remarks, continued

Wellbore schematics attached

WELL NAME: Blast "BLA" Federal No. 1 FIELD: _____

LOCATION: 1,980' FSL & 1,650' FEL Sec 17-26S-27E Eddy County, NM

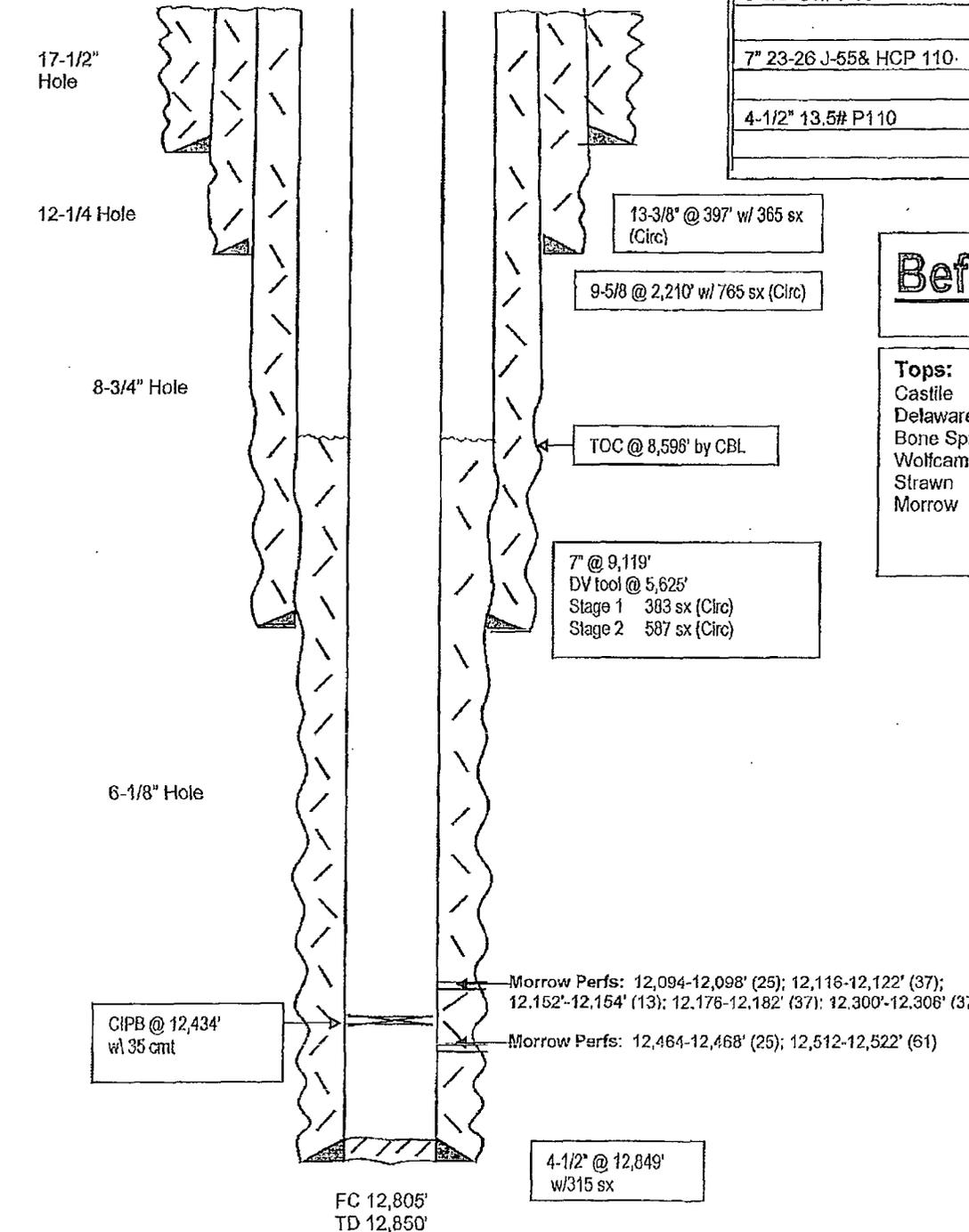
GL: 3,331' ZERO: _____ KB: 3,352

SPUD DATE: 11/08/08 COMPLETION DATE: _____

COMMENTS: API No.: 30-015-36136

CASING PROGRAM

13-3/8" 48# H-40	397'
9-5/8" 36# J-55	2,210'
7" 23-26 J-55& HCP 110	9,119'
4-1/2" 13.5# P110	12,849'



Before

Tops:

Castile	397'
Delaware	2,178'
Bone Springs	5,755'
Wolfcamp	8,855'
Strawn	11,306'
Morrow	12,094'

Not to Scale
1/14/13
Hill

WELL NAME: Blast "BLA" Federal No. 1 FIELD: _____

LOCATION: 1,980' FSL & 1,650' FEL Sec 17-26S-27E Eddy County, NM

GL: 3,331' ZERO: _____ KB: 3,352

SPUD DATE: 11/08/08 COMPLETION DATE: _____

COMMENTS: API No.: 30-015-36136

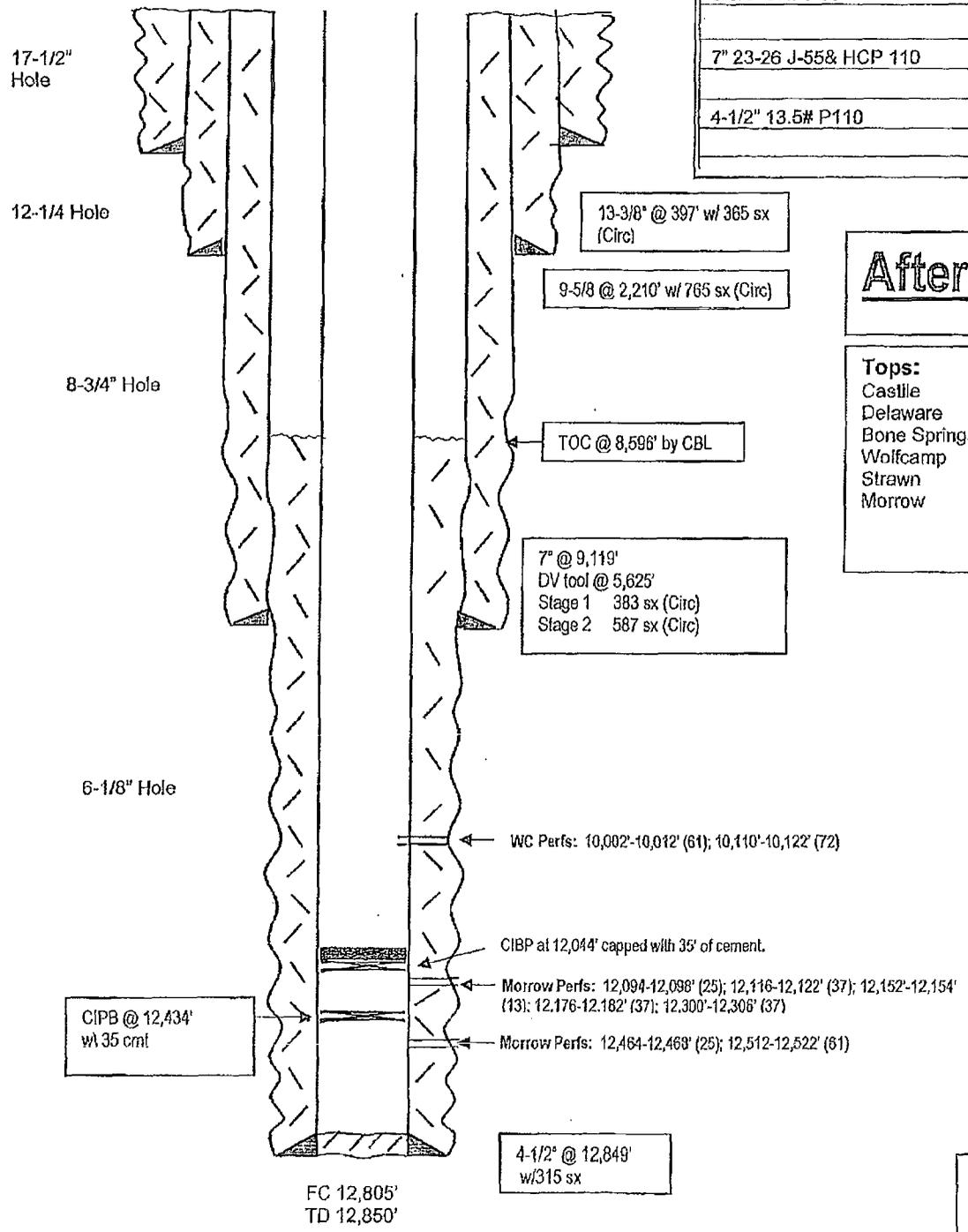
CASING PROGRAM

13-3/8" 48# H-40	397'
9-5/8" 36# J-55	2,210'
7" 23-26 J-55& HCP 110	9,119'
4-1/2" 13.5# P110	12,849'

After

Tops:

Castle	397'
Delaware	2,178'
Bone Springs	5,755'
Wolfcamp	8,855'
Strawn	11,306'
Morrow	12,094'



Not to Scale
1/14/13
HJH

**Blast BLA Federal 1
30-015-36136
Yates Petroleum Corporation
May 07, 2013
Conditions of Approval**

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

Work to be completed by August 07, 2013.

- 1. Set CIBP at 12,044' and place a 220' plug of neat class H cement on top. Tag at approximately 11,824'.**
- 2. Must conduct a casing integrity test before any perforating can be done. Submit results to BLM. The CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h.**
- 3. Make arrangements 24 hours before the test for BLM to witness. E-mail Paul R. Swartz pswartz@blm.gov or phone 575-200-7902, if there is no response, 575-361-2822. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.**
- 4. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5.**
- 5. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment**
6. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
7. Surface disturbance beyond the originally approved pad must have prior approval.
8. Closed loop system required.
9. 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.

10. Operator to have H2S monitoring equipment on location.
11. 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.
12. **Submit subsequent sundry required detailing work done and completion report for the new formation. Operator to include well bore schematic of current well condition when work is complete.**
13. **Submit C-102 form with new formation.**

JAM 050713