

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

Form C-104  
Revised August 1, 2011

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit one copy to appropriate District Office

AMENDED REPORT

**I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT**

<sup>1</sup> Operator name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> Reason for Filing Code/ Effective Date NW
<sup>4</sup> API Number 30 -015 - 39801	<sup>5</sup> Pool Name Parkway; Bone Spring	<sup>6</sup> Pool Code 49622
<sup>7</sup> Property Code 17558	<sup>8</sup> Property Name Hanagan APL Federal Com	<sup>9</sup> Well Number 3H

**II. <sup>10</sup> Surface Location**

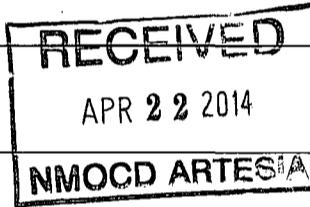
Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
M	31	19S	30E		660	South	180	West	Eddy

**<sup>11</sup> Bottom Hole Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	19S	30E		666	South	340	East	Eddy
<sup>12</sup> Lse Code F	<sup>13</sup> Producing Method Code P	<sup>14</sup> Gas Connection Date 4/9/14	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

**III. Oil and Gas Transporters**

<sup>18</sup> Transporter OGRID	<sup>19</sup> Transporter Name and Address	<sup>20</sup> O/G/W
286911	Remuda Energy Transportation, LLC 105 South Fourth Street Artesia, NM 88210	O
036785	DCP Midstream 10 Desta Drive, Suite 400-W Midland, TX 79705	G



**IV. Well Completion Data**

<sup>21</sup> Spud Date RH 1/2/14 RT 1/9/14	<sup>22</sup> Ready Date 4/8/14	<sup>23</sup> TD 13,017' 8429	<sup>24</sup> PBDT 12,968'	<sup>25</sup> Perforations 8,436' - 12,958'	<sup>26</sup> DHC, MC
<sup>27</sup> Hole Size	<sup>28</sup> Casing & Tubing Size	<sup>29</sup> Depth Set	<sup>30</sup> Sacks Cement		
36"	30"	80'	10 yds of redi-mix to surface		
26"	20"	275'	1501 sx (circ)		
17-1/2"	13-3/8"	1,688'	970 sx (circ)		
12-1/4"	9-5/8"	3,511'	900 sx (circ)		
8-1/2"	5-1/2"	13,015'	1930 sx (TOC 2,080' CBL)		
	2-7/8"	7,881'			

**V. Well Test Data**

<sup>31</sup> Date New Oil 4/9/14	<sup>32</sup> Gas Delivery Date 4/9/14	<sup>33</sup> Test Date 4/14/14	<sup>34</sup> Test Length 24 hours	<sup>35</sup> Tbg. Pressure 380 psi	<sup>36</sup> Csg. Pressure 160 psi
<sup>37</sup> Choke Size 12/64"	<sup>38</sup> Oil 252	<sup>39</sup> Water 477	<sup>40</sup> Gas 245	<sup>41</sup> Test Method Pump Test	

<sup>42</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Laura Watts*

Printed name:  
Laura Watts  
Title:  
Regulatory Reporting Technician

E-mail Address:  
laura@yatespetroleum.com

Date: April 21, 2014  
Phone:  
575-748-4272

OIL CONSERVATION DIVISION

Approved by: *[Signature]*  
Title: *Dist R Supervisor*  
Approval Date: *6/6/14*

Pending BLM approvals will subsequently be reviewed and scanned

3160-4  
3160-5 (3)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NMNM62211

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

1a. Type of Well  Oil Well  Gas Well  Dry  Other

1b. Type of Completion  New Well  Work Over  Deepen  Plug Back  Diff. Resrv. Other

2. Name of Operator YATES PETROLEUM CORPORATION Contact: LAURA WATTS  
YATES PETROLEUM CORPORATION-Mail: laura@yatespetroleum.com

3. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210 3a. Phone No. (include area code) Ph: 575-748-4272

8. Lease Name and Well No. HANAGAN APL FEDERAL COM 3H

9. API Well No. 30-015-39801

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface SWSW 660FSL 180FWL  
At top prod interval reported below SWSW 660FSL 180FWL  
At total depth SESE 666FSL 340FEL

10. Field and Pool, or Exploratory PARKWAY; BONE SPRING

11. Sec., T., R., M., or Block and Survey or Area Sec 31 T19S R30E Mer

12. County or Parish EDDY 13. State NM

14. Date Spudded 01/02/2014 15. Date T.D. Reached 02/11/2014 16. Date Completed  D & A  Ready to Prod. 04/08/2014

17. Elevations (DF, KB, RT, GL)\* 3326 GL

18. Total Depth: MD 13017 TVD 13017 19. Plug Back T.D.: MD 12968 TVD 12968 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CBL

22. Was well cored?  No  Yes (Submit analysis)  
Was DST run?  No  Yes (Submit analysis)  
Directional Survey?  No  Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
36.000	30.000		0	80				0	
26.000	20.000 J-55	106.5	0	275		1501		0	
17.500	13.375 H-40	48.0	0	1688		970		0	
12.250	9.625 J-55	36.0	0	3511		900		0	
8.500	5.500 P-110	17.0	0	13015		1930		2080	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	7881							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRING	8436	12958	8436 TO 12958		442	PRODUCING
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8436 TO 12958	ACIDIZED W/72,900G 7.5 PERCENT HCL ACID, FRAC W/A TOTAL OF 4,615,205 LBS 16/30 RCS&20/40 WHITE SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/09/2014	04/14/2014	24	→	252.0	245.0	477.0			ELECTRIC PUMP SUB-SURFACE
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64	380	160.0	→	252	245	477		P.	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity
			→					
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Stat
			→					

Pending BLM approvals will subsequently be reviewed and scanned

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #242769 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				RUSTLER.	330
				SALT	487
				YATES	1492
				SEVEN RIVERS	1690
				CAPITAN REEF	1838
				DELAWARE	3633
				CHERRY CANYON	3796
				BRUSHY CANYON	4337

32. Additional remarks (include plugging procedure):  
52. Formation (Log) Markers continued  
Bone Spring - 6080

2 CBL logs sent to BLM-Carlsbad and 1 to NMCCD-Artesia on 4/21/14.  
Surveys attached

33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #242769 Verified by the BLM Well Information System.  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (please print) LAURA WATTS Title REG REPORTING TECHNICIAN

Signature (Electronic Submission) Date 04/21/2014

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.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

Additional data for transaction #242769 that would not fit on the form

32. Additional remarks, continued

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.  
NMMN62211

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  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HANAGAN APL FEDERAL COM 3H

2. Name of Operator Contact: LAURA WATTS  
YATES PETROLEUM CORPORATION -Mail: laura@yatespetroleum.com

9. API Well No.  
30-015-39801

3a. Address  
105 SOUTH FOURTH STREET  
ARTESIA, NM 88210

3b. Phone No. (include area code)  
Ph: 575-748-4272  
Fx: 575-748-4585

10. Field and Pool, or Exploratory  
PARKWAY, BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 31 T19S R30E SWSW 660FSL 180FWL

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 checked="" 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 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.)

2/26/14 - NU BOP.  
2/27/14 -3/1/14 - Tagged DV tool at 5,004 ft, drilled out. Circulated hole clean. Pressure tested to 3000 psi for 30 mins, held good. Tagged 2nd DV tool at 7,390 ft, drilled out. Circulated hole clean. Pressure tested to 3000 psi for 30 mins, held good.  
3/2/14 - Circulated hole with 300 bbls 3 percent KCL with CRW-132 chemical. Pressure tested casing to 3000 psi for 30 mins, held good.  
3/3/14 - Reamed through DV tools at 5,004 ft and 7,390 ft. Apply 1000 psi to casing. Ran CBL from 8,350 ft to 1,650 ft.  
3/5/14 -Pumped 55 bbls 3 percent KCL into formation.  
3/9/14 - Apply 1500 psi to casing and ran CBL from 8,420 ft to surface.  
3/10-18/14 - Perforated Bone Spring 8,436 ft - 12,958' (442 holes). Acidized with 72,900 gals 7.5 percent HCL acid, frac with a total of 4,615,205 lbs 16/30 RCS and 20/40 White sand. 2-7/8 inch

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

Electronic Submission #242218 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (Printed/Typed) LAURA WATTS

Title REG REPORTING TECHNICIAN

Signature (Electronic Submission)

Date 04/14/2014

**THIS SPACE FOR FEDERAL OR STATE OF**

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 \_\_\_\_\_

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.

Pending BLM approvals will  
subsequently be reviewed  
and scanned

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

**Additional data for EC transaction #242218 that would not fit on the form**

32. Additional remarks, continued

6.5 lb L-80 tubing at 7,881 ft.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.  
NMNM62211

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HANAGAN APL FEDERAL COM 3H

2. Name of Operator Contact: LAURA WATTS  
YATES PETROLEUM CORPORATION -Mail: laura@yatespetroleum.com

9. API Well No.  
30-015-39801

3a. Address  
105 SOUTH FOURTH STREET  
ARTESIA, NM 88210

3b. Phone No. (include area code)  
Ph: 575-748-4272  
Fx: 575-748-4585

10. Field and Pool, or Exploratory  
PARKWAY; BONE SPRING

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 31 T19S R30E SWSW 660FSL 180FWL

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 checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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.)

1/30/14 - Drilled to 7,891 ft KOP and continued drilling directional.  
2/4/14 - Drilled to 8,672 ft and reduced hole to 8-1/2 inch and continued drilling.  
2/11/14 - Reached TD 8-1/2 inch hole to 13,017 ft.  
2/14/14 - Set 5-1/2 inch 17 lb P-110 BTC casing at 13,015 ft. Diversion tool/stage tool at 7,392 ft. Float collar at 12,968 ft. Cemented stage 1 with 1,000 sacks Class C + 0.2 percent D046 + 75 lb/sx D049 + 0.05 percent D112 + 30 percent D151 + 1.5 percent D174 + 60 lb/sx D208 + 0.8 percent D800 (yld 1.82, wt 13.00). Circulated 370 sacks to surface. Cemented stage 2 with 450 sacks Class C + 0.2 percent D046 + 75 lb/sx D049 + 0.5 percent D112 + 30 percent D151 + 1.5 percent D174 + 0.15 percent D208 + 0.5 percent D800 (yld 1.82, wt 13.00). Circulated 169 sacks to surface. Cemented stage 3 with 380 sacks Class C + 0.1 percent D013 + 5 percent D020 + 29 percent D035 + 5 percent D044 + 0.2 percent D046 + 0.2 percent D065 + 0.12 percent D130 + 0.03 percent D208 + 61 percent D903 (yld 2.04, wt 13.00). Tailed in with 100 sacks Class C + 0.5 percent D020 + 42 lb/sx D035 + 5

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

Electronic Submission #235994 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (Printed/Typed) LAURA WATTS

Title REG REPORTING TECHNICIAN

Signature (Electronic Submission)

Date 02/19/2014

THIS SPACE FOR FEDERAL OR STATE C

Pending BLM approvals will  
subsequently be reviewed  
and scanned

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

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 \*\***

**Additional data for EC transaction #235994 that would not fit on the form**

**32. Additional remarks, continued**

percent D044 + 0.2 percent D046 + 0.2 percent D065 + 0.06 percent D208 + 47 lb/sx D903 (yld 1.35, wt 14.20).  
2/15/14 - Rig released at 10:00 pm.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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	8. Well Name and No. HANAGAN APL FEDERAL COM 3H
2. Name of Operator YATES PETROLEUM CORPORATION Contact: LAURA WATTS E-Mail: laura@yatespetroleum.com	9. API Well No. 30-015-39801
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4272 Fx: 575-748-4585
10. Field and Pool, or Exploratory PARKWAY; BONE SPRING	11. County or Parish, and State EDDY COUNTY COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T19S R30E SWSW 660FSL 180FWL	

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 Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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.)

1/2/14 - Moved in rathole service and spudded well with rathole at 10:30 am. Hole size 36 inch. Set 80 ft of 30 inch conductor and cemented with 10 yards of redi mix. Notified Cheryl de Montigny with Carlsbad BLM of intent to spud. Waiting on rotary tools.  
1/9/14 - Resumed drilling with rotary tools at 7:00 pm.  
1/10-14/14 - Set 20 inch 106.5 lb J-55 BT&C casing at 275 ft. Cemented with 585 sacks 50/50 Poz C + 2 lb/sx B288 + 2 lb/sx B289 + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 (yld 1.40, wt 14.8). Cement did not circulate. WOC. Tagged cement at 227 ft. Pumped stage 1 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 199 ft. Stage 2 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 190 ft. Stage 3 with 57 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 166 ft. Stage 4 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 5 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 6 with 134 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged

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

Electronic Submission #235038 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (Printed/Typed) LAURA WATTS	Title REG REPORTING TECHNICIAN
Signature (Electronic Submission)	Date 02/10/2014

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 _____

Pending BLM approvals will  
subsequently be reviewed  
and scanned

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

Agency of the United

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

**Additional data for EC transaction #235038 that would not fit on the form**

**32. Additional remarks, continued**

cement at 134 ft. Stage 7 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 8 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 9 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 130 ft. Stage 10 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 128 ft. Stage 11 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 128 ft. Stage 12 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 126 ft. Stage 13 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 14 with 15 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Increased Calcium Chlorides content to 3 percent. Tagged cement at 124 ft. Stage 15 with 15 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 16 with 15 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 17 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Contacted BLM-Carlsbad in reference to pumping redi-mix with pea gravel, was declined were instructed to continue using the current method. Stage 18 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC.  
CONTINUED ON ATTACHED SHEET

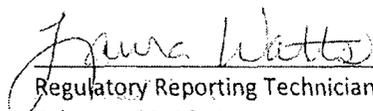
Form 3160-5 continued:

Tagged cement at 124 ft. Stage 19 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Stage 20 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Witnessed by BLM rep Jim Hughes. Tagged cement at 124 ft. Stage 21 with 35 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Stage 22 with 35 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Witnessed by BLM rep Jim Hughes. This is the 3<sup>rd</sup> tag with no increase in column height. Stage 23 with 35 sacks 50/50 Poz C + 3.5 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Witnessed by BLM rep Jim Hughes. This is the 4<sup>th</sup> tag with no increase in column height. Request to pump redi-mix pea gravel was approved. Cut window in 20 inch conductor. Poured 194, 5 gallon buckets of 3/8 inch pea gravel into conductor window while 1 inch pipe is constantly being reciprocated to check for fill and aiding in distribution of pea gravel. 10 ft of column height to 113 ft above existing to off at 123 ft was achieved after 194 buckets of gravel was placed. Waited 15 mins to see if pea gravel had sloughed in but the top of pea gravel remained constant at 113 ft. Pumped stage 24 with 25 sacks 50/50 Poz C + 3.5 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 75 ft firm – hard. Stage 25 with 100 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). Note: Cement was brought to surface. BLM rep Jim Hughes was not on location to witness job. WOC 4 hours.

1/15/14 – Spoke with Jim Hughes of the Carlsbad BLM and discussed test time to ensure that we are not in violation of any standing BLM rules. Tested 20 inch surface casing to 600 psi for 30 mins, good test. WOC 126 hours. Reduced hole to 17-1/2 inch and resumed drilling.

1/18/14 – TD 17-1/2 inch hole at 1,688 ft. Set 13-3/8 inch 48 lb and 54.5 lb H-40, J-55 ST&C casing to 1,688 ft. Cemented with 610 sacks of 35:65:6 Poz C + 0.125 lb/sx D130 + 0.2 percent D46 + 5.0 lb/sx D42 + 0.01 lb/sx D177 (yld 2.23, wt 12.80). Tailed in with 360 sacks 35:65:6 Poz C + 2.0 lb/sx B288 + 2.0 lb/sx B289 + 0.3 percent D112 + 0.125 lb/sx D130 + 5.0 percent D44 + 0.2 percent D46 + 5.0 percent D020 + 5.0 lb/sx D42 (yld 1.35, wt 14.80). Displaced with 258 bbls of fresh water. Circulated 75 sacks to pit. Tested casing to 1500 psi, good. WOC 35 hours 30 mins. Reduced hole to 12-1/4 inch and resumed drilling.

1/23/14 – TD 12-1/4 inch hole at 3,511 ft. Set 9-5/8 inch 36 lb J-55 LT&C casing at 3,511 ft. Openhole isolation packer set at 1,844 ft. Cemented stage 1 with 210 sacks 35:65:6 Poz C + 2 lb/sx B288 + 2 percent B289 + 0.1 percent D013 + 5 lb/sx D042 + 5 percent D044 + 75 lb/sx D049 + 0.125 lb/sx D130 + 0.2 percent D46 + 2 percent D020 (yld 2.06, wt 12.0). Tailed in with 300 sacks 35:65:6 Poz C + 0.125 lb/sx D130 + 42 lb/sx D135 + 5 percent D44 + 0.2 percent D46 + 5 lb/sx D42 + 0.02 percent D208 (yld 1.38, wt 14.2). Circulated 82 sacks to pit. Cemented stage 2 with 190 sacks 35:65:6 Poz H + 5 percent D020 + 0.3 percent D042 + 5 percent D044 + 0.2 percent D046 + 0.3 percent D112 + 0.125 percent D130 + 94 lb D903 (yld 2.15, wt 12.0) and 100 sacks 35:65:6 Poz C (yld 2.15, wt 12.8). Tailed in with 100 sacks 35:65:6 Poz C + 94 lb/sx D903 + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 (yld 1.34, wt 14.2). Circulated 22 sacks to pit. Tested casing to 1500 psi, good. WOC 39 hours 5 mins. Reduced hole to 8-3/4 inch and resumed drilling.

  
Regulatory Reporting Technician  
February 10, 2014