

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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		8. Well Name and No. MAGELLAN FEDERAL UNIT 3
2. Name of Operator YATES PETROLEUM CORPORATION		9. API Well No. 30-015-36606-00-X1
Contact: TINA HUERTA E-Mail: tinah@ypcnm.com		
3a. Address 105 S 4TH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 505.748.4168 Fx: 575.748.4585	10. Field and Pool, or Exploratory WILDCAT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T25S R27E NESW 1800FSL 1650FWL		11. County or Parish, and State EDDY COUNTY, NM
DEC - 2 2008 OCD-ARTESIA		

## 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"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Drilling Operations
	<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.)

10/7/08 TD 8-3/4" hole 9180'. Set 7" 23#, 26# J-55 L-80 LT&C casing at 9180'. Cemented stage 1 with 290 sx Interfill + 3#/sx Gilsonite + 0.1% HR-800 + 0.125#/sx Poly-E-Flake (yld 2.48, wt 11.9). Tailed in with 100 sx Premium Plus "H" + 0.1#/sx HR-800 (yld 1.19, wt 15.6). Cemented stage 2 with 600 sx Interfill "H" + 3#/sx Gilsonite + 0.125#/sx Poly-E-Flake (yld 2.48, wt 11.9). Tailed in with 100 sx Premium Plus "C" (yld 1.19, wt 15.6). Cement did not circulate. Notified Jerry Blakely with BLM that we were going to cement - did not witness cement job. Tested casing to 2000 psi for 30 min. WOC 57 hrs 40 min. Reduced hole to 6-1/8" and resumed drilling.

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct.		DEC 3 - 2008
Electronic Submission #64205 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad, Deputy Field Inspector Committed to AFMSS for processing by KURT SIMMONS on 10/30/2008 (99KMS0200SE)		
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR	
Signature (Electronic Submission)	Date 10/28/2008	

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <b>ACCEPTED</b>	JAMES A AMOS Title SUPERVISOR EPS	Date 11/28/2008
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 \*\***