

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
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.

JAN 05 2009
OCD-ARTESIA

5. Lease Serial No
NM-9402
6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

Yates Petroleum Corporation

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

575-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1880'FNL & 260'FEL of Section 18-T16S-R25E (Unit H, SENE) - Surface
1880'FNL & 660'FWL of Section 18-T16S-R25E (Unit E, SWNW) - BHL

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

8 Well Name and No

Cottonwood KI Federal Com #2H

9 API Well No

30-015-36403

10 Field and Pool or Exploratory Area

Wildcat; Wolfcamp

11. County or Parish, State

Eddy County, New Mexico

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 <u>Spud, Surface</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>and Intermediate</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>casing</u>

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

11/28/08 Spudded well at 8:00 AM. Set 40' of 20" conductor and cemented to surface with redi-mix.

11/29/08 Resumed drilling at 9:30 PM.

11/30/08 TD 17-1/2" hole and set 13-3/8" 48# H-40 ST&C casing at 415'. Cemented with 150 sx Class "C" + 0.188#/sx D046 + 3.76#/sx + D20 + 1.88#/sx S001 (yld 1.98, wt 94). Tailed in with 200 sx Class "C" + 1.88#/sx S001 (yld 1.34, wt 94). Cement did not circulate. Ran 1" cement to surface with 75 sx Class "C" with additives. Tested casing to 1200 psi for 30 min. Reduced hole to 12-1/4" and resumed drilling.

12/2/08 TD 12-1/4" hole and set 8-5/8" 24# J-55 ST&C casing at 1000'. Cemented with 150 sx RFC + 9.4#/sx D053 + 0.125#/sx D130 + 3#/sx D42 + 1.88#/sx S001 (yld 1.62, wt 14.2) and 320 sx Class "C" + 3.76#/sx D020 + 0.188#/sx D046 + 1.88#/sx S001 (yld 1.97, wt 12.9). Tailed in with 200 sx Class "C" + 0.94#/sx S001 (yld 1.34, wt 14.6). Cement did not circulate. Ran 1" cement to surface with 450 sx Class "C" with additives. Tested casing to 1500 psi for 30 min. WOC 35 hrs 45 min. Reduced hole to 7-7/8" and resumed drilling.

14 I hereby certify that the foregoing is true and correct **ACCEPTED FOR RECORD**

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Tina Huerta

JAN 6 2009

Date

December 9, 2008

ACCEPTED FOR RECORD

Approved by

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

Office

DEC 17 2008

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.

CARLSBAD FIELD OFFICE