

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA
FEB - 3 2009

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.

5 Lease Serial No
NM-105211
6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		7 If Unit or CA/Agreement, Name and/or No
2 Name of Operator Yates Petroleum Corporation		8 Well Name and No Pequeno Mike BLU Federal #1H
3a. Address 105 S. 4th Str., Artesia, NM 88210	3b. Phone No (include area code) 575-748-1471	9 API Well No 30-015-36390
4 Location of Well (Footage, Sec., T, R, M., OR Survey Description) Surface - 200'FSL & 200'FWL of Section 2-T16S-R29E (Unit M, SWSW) BHL - 948'FSL & 330'FWL of Section 3-T16S-R29E (Unit M, SWSW)		10 Field and Pool or Exploratory Area County Line Tank; 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 checked="" 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>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operations</u>
	<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 recompleting 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.

1/2/09 Ran CBL. Cement to surface on 5-1/2" casing.
1/7/09 Pumped 1000g 15% NEFE acid and flush with fresh water. Spotted 1500g 15% NEFE at 12,150'. Set flow thru plug at 12,155'. Perforated Wolfcamp 12,144', 11,897', 11,650', 11,403' and 11,156' (30). Frac with a 15# borate XL, 3854 bbls fluid, 25,000g 15% NEFE acid, 80,515# 30/50 Ottawa. Spotted 1500g 15% NEFE acid at 10,910'. Set flow thru plug at 10,920'. Perforated Wolfcamp 10,909', 10,662', 10,415', 10,168' and 9921' (30). Frac with a 15# borate XL, 4735 bbls fluid, 25,000g 15% NEFE acid, 79,895# 30/50 Ottawa.
1/8/09 Spotted 1500g 15% NEFE acid at 9680'. Set flow thru plug at 9685'. Perforated Wolfcamp 9674', 9427', 9180', 8933', 8686' (30). Frac with a 15# borate XL, 4350 bbls fluid, 25,000g 15% NEFE acid, 79,109# 30/50 Ottawa. Spotted 1500g 15% NEFE acid at 8440'. Set flow thru plug at 8450'. Perforated Wolfcamp 8439', 8192', 7945', 7698' and 7451' (30). Frac with a borate XL, 4482 bbls fluid, 25,000g 15% NEFE acid, 78,724# 30/50 Ottawa. 2-7/8" tubing at 6705'.
1/16/09 Date of 1st production - Wolfcamp

14 I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tina Huerta Title Regulatory Compliance Supervisor

Signature Tina Huerta Date January 22, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____ Title _____ Date 1 2009
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.