

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTAUG 18 2009
OCD ArtesiaFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

RM

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		5. Lease Serial No. NMNM31649
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 105 S 4TH STREET ARTESIA, NM 88210		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) Ph: 575.748.4168 Fax: 575.748.4585		8. Well Name and No MELSON ZS 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T26S R30E SESE 560FSL 660FEL		9. API Well No 30-015-25171-00-S1
		10. Field and Pool, or Exploratory UNDESIGNATED
		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 Workover Operatic
	<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 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.)

7/5/09 Nipped up BOP. POH with tubing.
7/6/09 Set a composite plug at 5400'. Tested to 3000 psi, good. Loaded and tested casing to 500 psi, good. Perforated Delaware 4468'-4474'(7), 4534'-4540'(7) and 4614'-4618'(5).
7/7/09 Acidized Delaware 4614'-4618' with 500g 7-1/2% HCL acid. Acidized Delaware 4534'-4540' with 500g 7-1/2% HCL acid. Acidized Delaware 4468'-4474' with 500g 7-1/2% HCL acid.
7/13/09 Set a cement retainer at 4430'. Squeezed Delaware perms with 77 sx cement. First 50 sx 14.8# Class "C" Neat with 2% Calcium, 27 sx 14.8# Class "C" Neat to 1500 psi-good.
7/14/09 Perforated Delaware 3584'-3590'(7). Acidized with 500g 7-1/2% HCL acid.
7/19/09 Tagged cement retainer. Pumped thru retainer, set at 3534'. Pumped 50 sx Class "C" Neat with CaCl, 50 sx Class "C" Neat. Squeezed Delaware 3584'-3590' with 85 sx to 1500 psi.
7/20/09 Tagged at 3530'. Drilled out cement retainer. Circulated clean.
7/21/09 Drilled out cement from 3535'-3615'. Fell out of cement. Circulated clean. Tested to

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

Electronic Submission #72925 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 08/06/2009 (03LA0391SE)

Name (Printed/Typed) TINA HUERTA

Title REG COMPLIANCE SUPERVISOR

Signature (Electronic Submission)

Date 08/06/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	MYLES KRISTOF Title PETROLEUM ENGINEER	Date 08/14/2009
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 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 ****

Additional data for EC transaction #72925 that would not fit on the form

32. Additional remarks, continued

500 psi for 30 min, good. Tagged at 4425'. Drilled out cement retainer at 4430' and cement to 4440'.

7/22/09 Drilled out cement from 4430'-4648'. Circulated clean. Tested to 500 psi for 30 min, good. Tagged composite plug at 5400'.

7/23/09 Drilled out composite plug at 5400'. Tagged at 6375', 49' below bottom perf. RIH with packer and RBP with B-valve, leave swinging above perfs at 5540'.

7/26/09 Straddle Delaware perfs 5601'-5609' and pumped 500g of Xylene and 1000g 7-1/2% HCL acid. Straddled Delaware 5497'-5508' and pumped 500g of Xylene and 1000g 7-1/2% acid. Released tools 2-7/8" tubing at 6330'.