(August 2007)

UNITED STATES \\ DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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FORM APPROVED ' OMB No 1004-0137 Èxpnes July 31, 2010

Do not use this form for proposals to drill or to re-e	1	NM-53219					
abandoned well. Use Form 3160-3 (APD) for such pr	6 If Indian, Allottee or Tribe Name						
SUBMIT IN TRIPLICATE - Other instruction	NMOCD ARTESIA	7 If Unit or CA/Agreement, Name and/or No					
	NM-112743						
1 Type of Well X Gas Well Other	8 Well Name and No						
.2 Name of Operator	Whitbread BFG Federal Com #1						
Yates Petroleum Corporation	9 API Weil No						
3a Address 3b Phon	30-015-33932						
105 S. 4th Str., Artesia, NM 88210	10 Field and Pool or Exploratory Area						
4 Location of Well (Footage, Sec., T., R., M., OR Survey Description)	McKittrick Hills; Morrow 11 County or Parish, State						
1980'FNL & 660'FWL of Section 1-T22S-R24E (Unit E, S\	Eddy County, New Mexico						
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA							
TYPE OF SUBMISSION TYPE OF ACTION							
Acidize	Deepen Production (S	itart/Resume) Water Shut-Off					
X Notice of Intent Alter Casing	Fracture Treat Reclamation	Well Integrity					
Casing Repair	New Construction X Recomplete	Other					
Subsequent Report							
Change Plans	Plug and Abandon Temporarily	Noandon					
Final Abandonment Notice Convert to Injection	Plug Back Water Dispos	al					
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.							
Yates Petroleum Corporation plans to recomplete this well as follows: Set a cement retainer at +/-7892', 30' above the Canyon perforations. Pump 150 sx Thixtropic Class "H" cement with additives, tail in with 100 sx "H" Neat. Drill out the retainer. Pressure test the casing to 1000 psi and re-squeeze if necessary. Clean out down to the 4-1/2" liner tie back sleeve at 8468'. Clean out the 4-1/2" liner down to 10,550'. Circulate the hole clean with treated water. Perforate Morrow 10,110'-10,116' (37), 10,138'-10,144' (37), 10,232'-10,246' (85) and 10,282'-10,290' (49). Stimulate as needed. Pressure test the 7" casing to 1000 psi. After we get a test on the 3-1/2" x 7" annulus, set the 7" packer							
without pulling out of the seal assembly. Pump a fracturing treatment at 30 BPM down the 3-1/2" tubing, while-hoteing							
1000 psi on the 3-1/2" x 7" annulus. Flow the well back and allow it to clean up. Turn well to production ROVED SEE ATTACHED FOR							
CONDITIONS OF APPROVAT							
14 I hereby certify that the foregoing is true and correct		JAN 2 U ZUIO Kristo					
Name (<i>Printed/Typed</i>) Tina Huerta	Title Regulatory Compliance SuperWSOU OF LAND MANAGEMENT CARL SRAD FIELD OFFICE CARL SRAD FIELD OFFICE						
Signature ()	Date December 30, 2009	CANLSTILL					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by Title Date							
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 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 fictifious or fraudulent statements or representations as to any matter within its jurisdiction. any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Whitbread BFG Federal Com #1 30-015-33932 Yates Petroleum Corporation January 25, 2010 Conditions of Approval

- 1. Surface disturbance beyond the existing pad must have prior approval.
- 2. Closed loop system required.
- 3. Operator to have H2S monitoring equipment on location as H2S has been reported from the Cisco / Canyon formations.
- 4. Subsequent sundry and completion report required.

MAK 012510