OCD-ARTESIA UNITED STATES FORM APPROVED DEPARTMENT OF THE INTERIOR OMB No 1004-0137 **BUREAU OF LAND MANAGEMENT** Expires July 31, 2010 NDRY NOTICES AND REPORTS ON WELLS 5 Lease Senal No NM-102028 Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 6 If Indian, Allottee or Tribe Name 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. Type of Well NA Other P&A Oil Well Gas Well 8 Well Name and No Milton BMF Federal Com #1H 2 Name of Operator Yates Petroleum Corporation 9 API Well No 3b Phone No (include area code) 30-015-36955 3a Address 105 S. 4th Str., Artesia, NM 88210 575-748-1471 10 Field and Pool or Exploratory Area 4 Location of Well (Footage, Sec., T, R, M, OR Survey Description) Wildcat; Wolfcamp 11 County or Parish, State Surface - 4590'FNL & 100'FEL of Section 4-T16S-R29E, Lot 16 BHL - 4240'FNL & 330'FWL of Section 4-T16S-R29E, Lot 13 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 Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Casing Repair New Construction Recomplete Other Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Final Interim Final Abandonment Notice Convert to Injection Plug Back Water Disposal Reclamation 13 Describe Proposed of Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof 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 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 Final Interim Reclamation finished on 7/16/10 Recontoured location, spread top soil, reseeded with #2 and #3 BLM mix. Notified Bob Ballard of reclamation. TED FOR RECORD AUG **4** 2010 BUREAU OF LAND MANAGEMENT 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) CARLSBAD FIELD OFFICE Tina Huerta Regulatory Compliance Supervisor Title July 22, 2010 Signature Date 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, fictitious or fraudulent statements or representations as to any matter within its jurisdiction