

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

VARIETY OF 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-101580

6 If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

8 Well Name and No

Grid Iron BLI Federal Com #2

9 API Well No

30-005-64063

10 Field and Pool or Exploratory Area

Coyote; Wolfcamp

11 County or Parish, State

Chaves County, New Mexico

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)

1980'FSL & 660'FWL of Section 6-T12S-R27E (Unit L, NWSW)

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

☐

Acidize

☐

Alter Casing

☐

Casing Repair

☐

Change Plans

☐

Convert to Injection

☐

Deepen

☐

Fracture Treat

☐

New Construction

☐

Plug and Abandon

☐

Plug Back

☐

Production (Start/Resume)

☐

Reclamation

☐

Recomplete

☐

Temporarily Abandon

☐

Water Disposal

☐

Water Shut-Off

☐

Well Integrity

☒

Other Surface

Casing

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.

8/21/10 Resumed drilling at 9:00 AM.

8/22/10 TD 12-1/4" hole to 1200'. Set 8-5/8" 24# J-55 ST&C casing at 1200'. Cemented with 650 sx Class "C" + 3.76#/sx D020 + 0.188#/sx D046 + 0.125#/sx D130 + 94#/sx D903 + 1.88#/sx S001 (yld 1.87, wt 12.9). Tailed in with 200 sx Class "C" + 0.125#/sx D130 + 94#/sx D903 (yld 1.34, wt 14.8). Circulated 210 sx to pit. Tested casing to 1500 psi, Ok. WOC 55 hr 30 min. Reduced hole to 7-7/8" and resumed drilling.

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

August 26, 2010

ACCEPTED FOR RECORD

SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

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.

Office

ROSWELL FIELD 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.

(Instructions on page 2)

PETROLEUM ENGINEER

DJS

Cox