

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation 025575

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)

(505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

330' FNL and 2 310' FWL
Section 12, T24S-R29E

5. Lease Serial No.

NM-105213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/o

8. Well Name and No.

Jester BFJ Federal #5H

9. API Well No.

30-015-37173

10. Field and Pool, or Exploratory Area

Wildcat Bone Spring

11. County or Parish, State

Eddy County, New Mexico

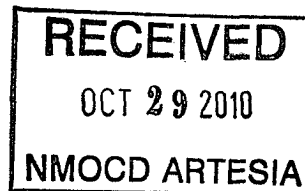
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 Amend
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Use
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Plan.

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 must 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 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 wishes to amend the Surface Use Plan for the captioned to include the construction of a 320' x 320' x 11' freshwater reservoir to be used for fracing operations for the Jester BFJ Federal #5H. The frac pit will be located 255' west of the center hole location of this well. Between the west edge of the well pad and the frac pit will be an 80' buffer that will act as the access to the frac reservoir for unloading water. The frac pit will have a 12' wide road with ramps and a turn around for the trucks after unloading.

Please note attached survey plat showing the location of the proposed freshwater pit.



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

Name (Printed/Typed)

Cy Cowan

Title

Land Regulatory Agent

Signature

Date

October 5, 2010

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ Don Peterson

Title

FIELD MANAGER

Date

OCT 27 2010

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.

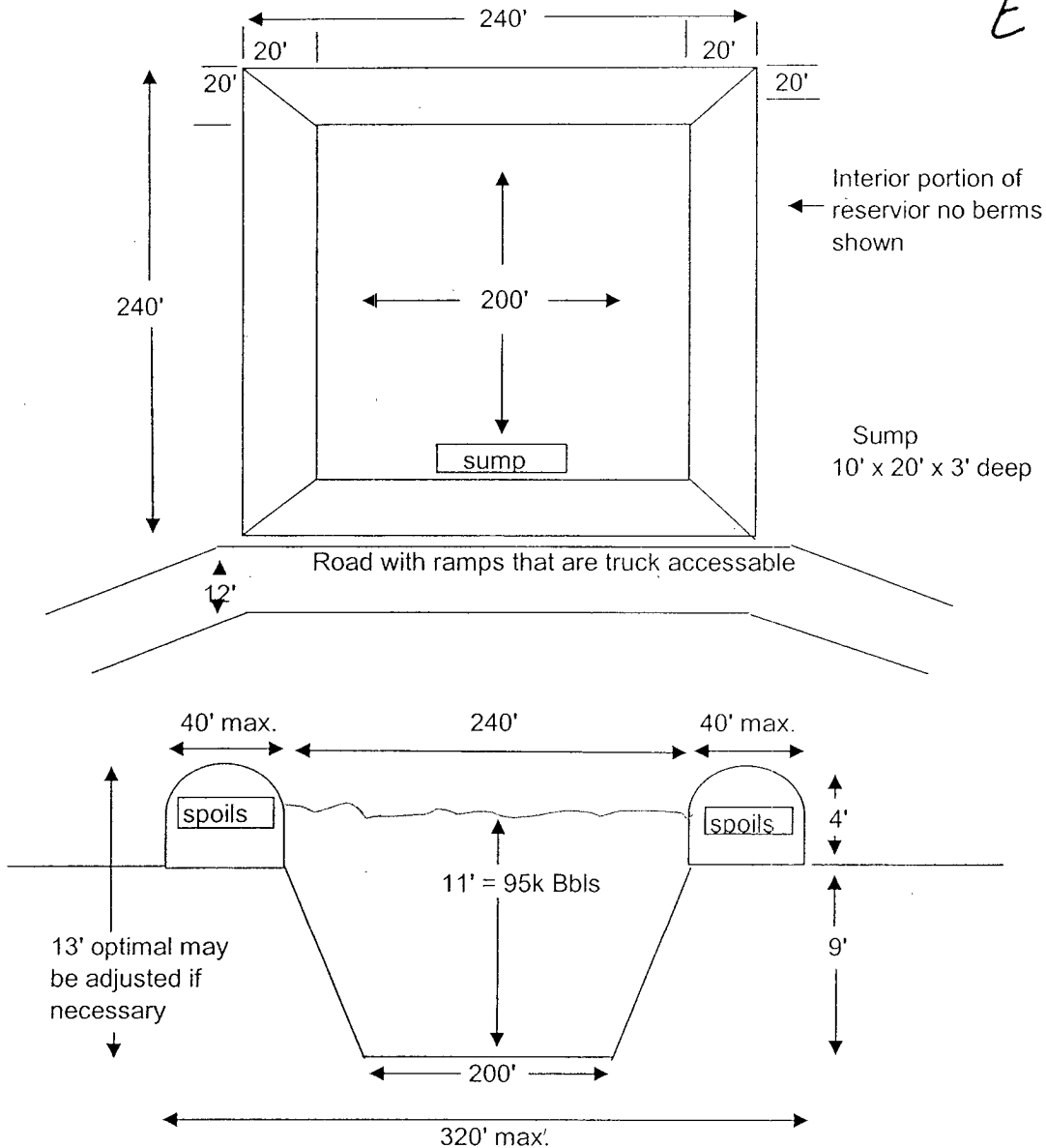
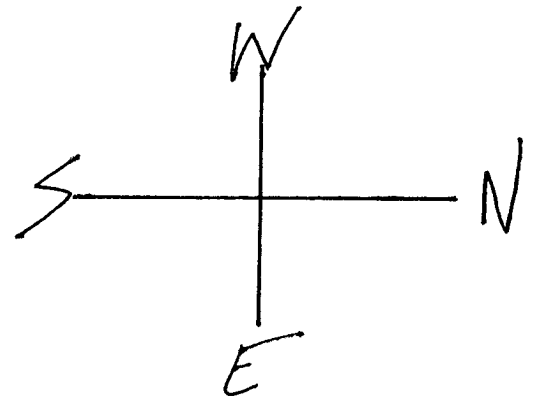
Office

CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001, 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.

WAT

Yates Petroleum Corp.
Fresh Water Reservoir
9/16/2010

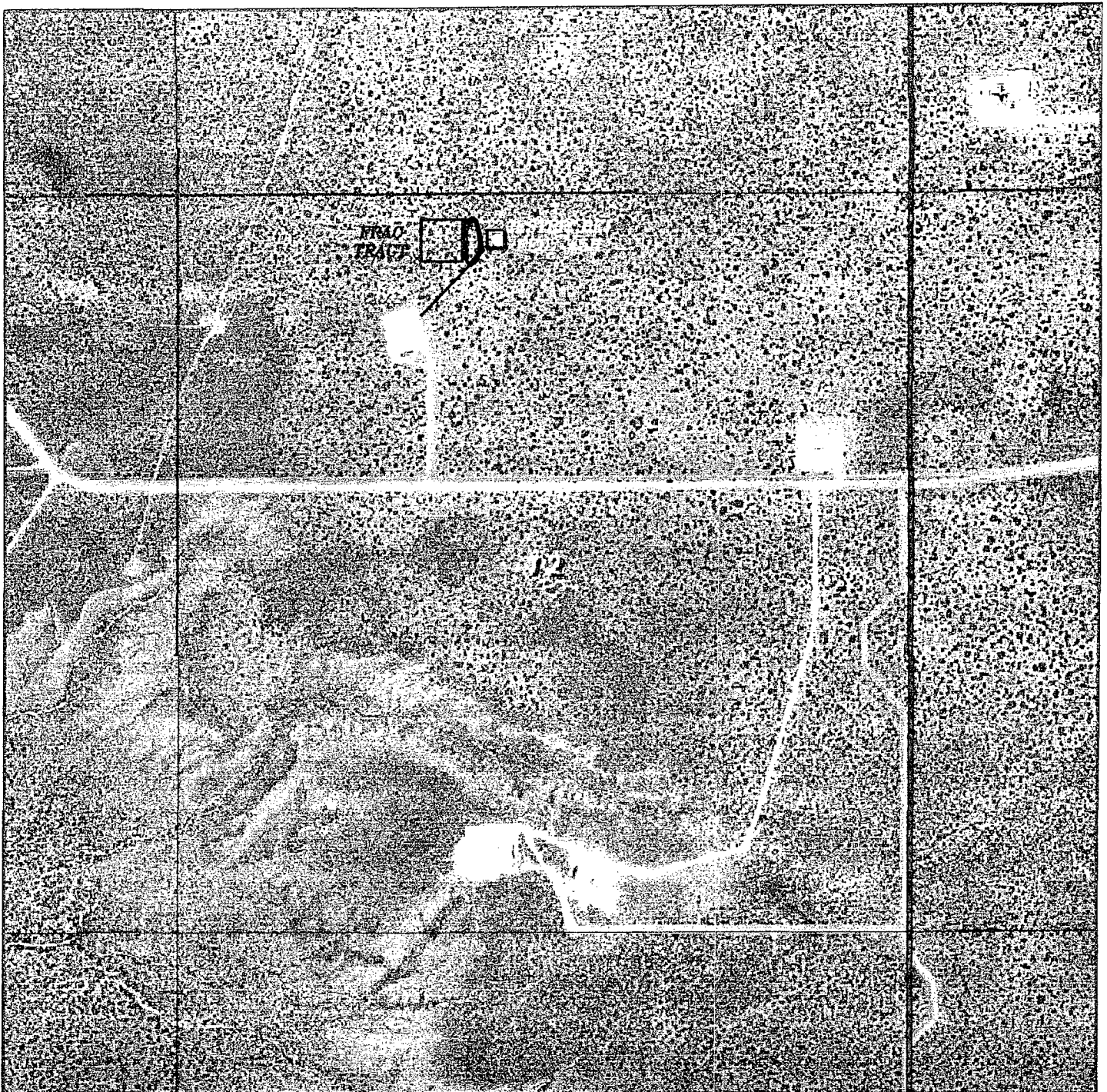


Spoil piles= 3 sides will normally be narrow and the fourth side will include the road and access to the sump.

Bottom Slope= make sure the bottom always slopes to the sump.

Top Edge= Make sure top levels are shot in to ensure adequate Free Board (2')

Road & Ramps = Must be capable of handling 2 loaded water trucks.



JESTER BFJ FEDERAL #5H FRAC TANK
Section 12, Township 24 South, Range 29 East,
N.M.P.M., Eddy County, New Mexico.

basin
surveys
focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(575) 393-7316 - Office
(575) 392-2206 - Fax
basinsurveys.com

W.O. Number: KJG 23012

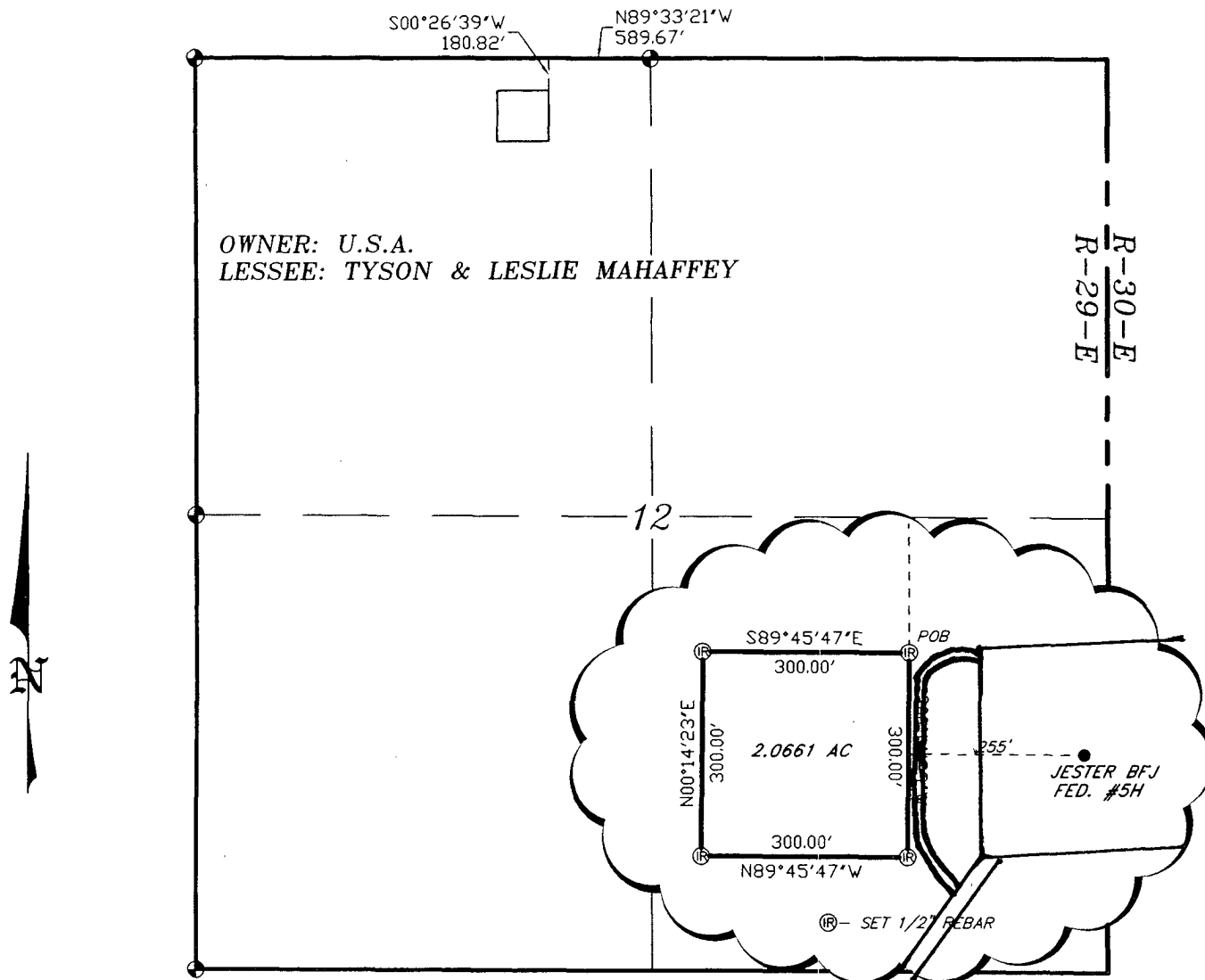
Scale: 1" = 1000'

YELLOW TINT - USA LAND
BLUE TINT - STATE LAND
NATURAL COLOR - FEE LAND



YATES
PETROLEUM
CORP.

SECTION 12, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.

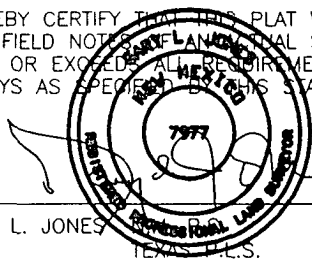


LEGAL DESCRIPTION

A TRACT OF LAND LOCATED IN SECTION 12, TOWNSHIP 24 SOUTH, RANGE 29 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT A POINT WHICH LIES N.89°33'21\"W., 589.67 FEET AND S.00°26'36\"W., 180.82 FEET FROM THE NORTH QUARTER CORNER OF SAID SECTION 12; THENCE S.00°14'23\"W., 300.00 FEET; THENCE N.89°45'47\"W., 300.00 FEET; THENCE N.00°14'23\"E., 300.00 FEET; THENCE S.89°45'47\"E., 300.00 FEET TO THE POINT OF BEGINNING. SAID TRACT OF LAND CONTAINING 2.0661 ACRES, MORE OR LESS.

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF A LAND SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.



GARY L. JONES

No. 7977
No. 5074

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 23012

Drawn By: K. GOAD

Date: 07-06-2010

Disk: KJG - 23012TRACT.DWG

1000 0 1000 2000 FEET

YATES PETROLEUM CORP.

REF: JESTER BFJ FEDERAL #5H FRAC TANK

A TRACT OF LAND LOCATED IN
SECTION 12, TOWNSHIP 24 SOUTH, RANGE 29 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 06-28-2010

Sheet 1 of 1 Sheets