

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.

5. Lease Serial No.
NM-57274

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.
NA

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
Haracz AMO Federal #1H

2. Name of Operator
Yates Petroleum Corporation

9. API Well No.
30-015-36354

3a. Address
105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)
575-748-1471

10. Field and Pool or Exploratory Area
Cotton Draw; Brushy Canyon

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)
Surface - 330'FSL & 660'FWL of Section 24-T24S-R31E (Unit M, SWSW)
BHL - 330'FNL & 660'FWL of Section 24-T24S-R31E (Unit D, NWNW)

11. County or Parish, State
Eddy County, New Mexico

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 <u>Surface casing</u>
	<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 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.

1/14/11 Resumed drilling at 6:00 PM.

1/15/11 TD 17-1/2" hole to 708'. Set 13-3/8" 48# J-55 ST&C casing at 708'. Cemented with 400 sx Class "C" Lite + D130 + 4% D20 + 1% S1 + 0.2% D46 (yld 1.96, wt 12.5). Tailed in with 200 sx Class "C" + 2% CaCl2 (yld 1.34, wt 14.8). Circulated 214 sx to pit. Tested casing to 1500 psi for 30 min, Ok. WOC 45 hrs 30 min, Ok. Reduced hole to 12-1/4" and resumed drilling.

RECEIVED
FEB 04 2011
NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tina Huerta

Title Regulatory Compliance Supervisor

Signature *Tina Huerta*

Date January 25, 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD
JAN 28 2011
Date *W*
WESLEY W. INGRAM
PETROLEUM ENGINEER

Approved by _____ Title _____
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

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