

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

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-81952

6. If Indian, Allottee or Tribe Name

NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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)

Surface - 330'FSL & 1980'FWL of Section 7-T22S-R31E (unit N, SESW)

BHL - 2310'FSL & 1980'FWL of Section 6-T22S-R31E (Unit K, NESW)

7. If Unit or C/A Agreement, Name and/or No.

NA

8. Well Name and No.

Llama ALL Federal #10H

9. API Well No.

30-015-37190

10. Field and Pool or Exploratory Area

Cabin Lake; Delaware

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



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



Recompletion



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity



Other Production

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 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 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.

1/23/11 KOP at 7223' and continued to drill directionally. Reduced 8-3/4" hole to 8-1/2" at 7872' and continued directionally.

2/7/11 Reached TD 8-1/2" hole to 14,720' at 2:45 AM.

2/12/11 Set 5-1/2" 17#, 20# HCP-110 L-80 LT&C casing at 14,565'. Stage packer at 3925'. DV tool at 6725'. Float collar at 14,469'. Cemented stage 1 with 1400 sx PVL + 0.15#/sx D046 + 75#/sx D049 + 0.375#/sx D079 + 0.375#/sx D112 + 22.5#/sx D151 + 1.125#/sx D174 + 0.6#/sx D800 (yld 1.83, wt 13). Circulated 50 sx to pit. WOC. Cemented stage 2 with 440 sx 35:65 Poz "C" + 5.325#/sx D020 + 2#/sx D042 + 4.785#/sx D044 + 0.177#/sx D046 + 0.887#/sx D112 + 0.125#/sx D130 + 27.65#/sx D132 + 61.1#/sx D903 (yld 2.08, wt 12.6). Tailed in with 100 sx Class "C" + 0.188#/sx D013 + 94#/sx D903 (yld 1.33, wt 14.8). Circulated 72 sx to pit. WOC. Cemented stage 3 with 470 sx 35:65 Poz "C" + 5.325#/sx D020 + 2#/sx D042 + 4.785#/sx D044 + 0.177#/sx D046 + 0.887#/sx D112 + 0.125#/sx D130 + 27.65#/sx D132 + 61.1#/sx D903 (yld 2.08, wt 12.6). Tailed in with 100 sx Class "C" + 0.188#/sx D013 + 94#/sx D903 (yld 1.33, wt 14.8). Circulated 40 sx to pit.

Accepted for record - NMOCD

2/14/11 Rig released at 6:00 PM.

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

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

Tina Huerta

Date

February 18, 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Feb 26 2011

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

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