

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Operator Copy

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-121942 SH & VA-3054 BH

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.

NMNM125319

8. Well Name and No.

Pinochle BNP State Com #2H

9. API Well No.

30-015-38316

10. Field and Pool or Exploratory Area

San Lorenzo; Bone Spring

11. County or Parish, State

Eddy 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)

Surface - 660'FNL & 330'FWL of Section 22-T25S-R28E (Unit D, NWNW)

BHL - 662'FNL & 4991'FWL of Section 22-T25S-R28E (Unit A, NENE)

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 checked="" 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>Completion</u> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon                  | <u>Operations</u>   |
|   | <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 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.

- 1/18/11 Tagged cement at 5282'. Cleaned out cement to DV tool at 5450', drilled out. Circulated clean. Tested casing to 3400 psi for 30 min. Pressure dropped to 1850 psi.
- 1/19/11 RIH with 4-3/4" bit and scraper to DV tool at 5450'. Cleaned up DV tool. POOH with bit and scraper. RIH with 5-1/2" HD packer past DV tool to 5488'. Tested casing to 3400 psi for 15 min, good. Tested down tubing to 3400 psi for 30 min. Lost 2650 psi. Released packer.
- 1/20/11 Tagged cement at 11,180'. Drilled out cement to 11,267'. Circulated clean.
- 1/21/11 Tested casing to 3400 psi for 30 min. Ran VDL/Gamma Ray/CCL log from 7562' to surface with 1000 psi pressure.
- 1/23/11 Pickled well with 1000g 15% acid. Displaced well with 3% KCL. Spotted 2500g 7-1/2% acid.
- 1/24/11 Perforated Bone Spring 11,262' (6), 11,151' (6), 11,030' (6), 10,909' (6) and 10,788' (6).

CONTINUED ON NEXT PAGE:

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

Name (Printed/Typed)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature

*Tina Huerta*

Date March 10, 2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

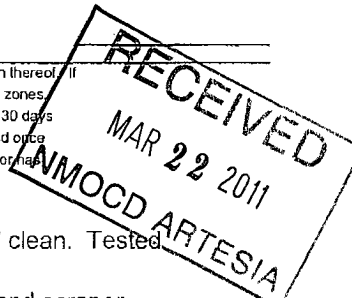
Office

Date

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 the jurisdiction of such department or agency.

(Instructions on page 2)



MAR 16 2011

*[Signature]*  
BUREAU OF LAND MANAGEMENT

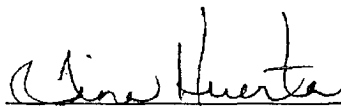
Approved for record - NMOCD

*[Signature]*

*[Signature]*

**Form 3160-5 continued:**

- 2/8/11 Acidized with 2500g 7-1/2% HCL acid. Frac using a 30# x-linked gel, 79,400# 40/70 White, 150,149# 20/40 Texas Gold, 106,796# 20/40 Super LC. Spotted 2500g 7-1/2% HCL acid at 10,687'. Perforated Bone Spring 10,667' (6), 10,546' (6), 10,425' (6), 10,304' (6) and 10,183' (6). Acidized with 2500g 7-1/2% HCL acid. Frac with 51,000# 40/70 White sand.
- 2/10/11 Finished frac using 30# x-linked gel, 154,823# 20/40 Texas Gold, 104,140# 20/40 Super LC. Spotted 2500g 7-1/2% HCL acid at 10,082'. Perforated Bone Spring 10,062' (6), 9941' (6), 9820' (6), 9699' (6) and 9578' (6). Acidized with 2500g 7-1/2% HCL acid. Frac with 82,638# 40/70 White, 148,712# 20/40 TG, 104,270# Super LC. Spotted 2500g 7-1/2% HCL at 9477'. Perforated Bone Spring 9457' (6), 9336' (6), 9215' (6), 9094' (6), and 8973' (6). Acidized with 2500g 7-1/2% HCL acid. Frac with 80,514# 40/70 White, 153,662# 20/40 TG, 126,430# 20/40 Super LC. Spotted 2500g 7-1/2% HCL acid at 8872'. Perforated Bone Spring 8852' (6), 8731' (6), 8610' (6), 8489' (6) and 8368' (6).
- 2/11/11 Acidized with 2500g 7-1/2% HCL acid. Frac with 73,284# 40/70, 148,240# 20/40 TG, 95,642# SLC. Spotted 2500g 7-1/2% HCL acid at 8267'. Perforated Bone Spring 8247' (6), 8126' (6), 8005' (6), 7884' (6) and 7763' (6). Acidized with 2500g 7-1/2% HCL acid. Frac with 72,735# 40/70 White, 146,440# 20/40 TG, 90,740# SLC. Spotted 2500g 7-1/2% HCL acid at 7662'. Perforated Bone Spring 7642' (6), 7521' (6), 7400' (6), 7279' (6) and 7158' (6).
- 2/13/11 Acidized with 2500g 7-1/2% HCL acid. Frac with 69,834# 40/70 White, 153,864# 20/40 TG, 65,580# 20/40 SLC. Cleaned well out to 11,263' and circulated clean. 2-7/8" 6.4# L-80 tubing at 6514'.
- 3/5/11 Date of 1st production - Bone Spring



Regulatory Compliance Supervisor  
March 10, 2011

**Accepted for record - NMOCD**