Form 3160-5 * (AuguHOBBS OCD)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, District I 1625 N. French Drive Hobbs, NM 88240

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

JUN 2 4 2011

SUNDRY NOTICES AND REPORTS ON WELLS

tion 1001 and Title 43 U.S.C. Section 121:

(Instructions on pade TROLEUM ENGINEER

any false, firthous or fraugulant pagements of sepresentations as to any matter within its jurisdiction

5 Lease Senal No NM-105888 Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 6 If Indian, Allottee or Tribe Name NA RECEIVED 7 If Unit or CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2. NA Type of Well 8 Well Name and No Other X Oil Well Gas Well Scooter BPS Federal #1H 2 Name of Operator Yates Petroleum Corporation 9 API Well No 3b. Phone No (include area code) 30-005-29172 3a Address 10 Field and Pool or Exploratory Area 575-748-1471 105 S. 4th Str., Artesia, NM 88210 4. Location of Well (Footage, Sec , T , R , M., OR Survey Description) Wildcat Abo-Wolfcamp 11 County or Parish, State Surface - 770'FNL & 200'FEL of Section 28-T15S-31E (Unit A, NENE) BHL - 360'FNL & 330'FWL of Section 28-T15S-R31E (Unit D, NWNW) Chaves County, New Mexico 12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other Production Casing Repair New Construction Recomplete Subsequent Report Plug and Abandon Casing Change Plans Temporarily Abandon Plug Back Water Disposal Final Abandonment Notice Convert to Injection 13 Describe Proposed of Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof 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 4/19/11 Reached TVD 8-3/4" hole to 10,300'. Cemented 1st plug from 9200'-9000'. WOC to tag bottom of plug. 4/20/11 4/21/11 Tagged top of bottom plug at 9060'. Set 2nd plug from 8800'-8200'. 4/22/11 Tagged TOC at 8061'. Drilled cement from 8061'-8313'. KOP at 8322' and continued to drill directionally. 4/27/11 Drilled to 9016' and reduced hole to 7-7/8" and continued drilling. 5/7/11 Reached TD 7-7/8" hole to 13.330'. 5/8/11 Set 5-1/2" 17# HCP-110 LT&C casing at 13,320'. Dropped ball and circulated KCL water around ports and packers back to cementer tool. Worked casing string to open cementer tool. Tool set to open at 2800 psi, had to apply 3250 psi to open tool. Cemented with 600 sx "H" + 3#/bbl gilsonite + 0.5% Halad-9 + 0.125#/bbl Poly-E-Flake (yld 3.04, wt 11.2). Tailed in with 100 sx Versacem "H" + 0.4% CFR-3 + 3#/bbl gilsonite + 0.5% Halad4-344 + 0.125#/bbl Poly-E-Flake (yld 1.59, wt 13.2). Closed cementer tool and rigged down. ND BOP Packers at 8955', 9400', 9637', 9917', 10,202', 10,443', 10,721', 11,003', 11,287', 11,572', 11,856', 12,099', 12,379', 12,660', 12,935', 13,128' and anchor packer at 13,187' Frac ports at 9500', 9778', 10,060', 10,302', 10,587', 10,863', 11,146', 11,431', 11,716', 11,957', 12,236', 12,523', 12,805', 13,075' and hydraulic frac port at 13,246'. Rig released at 6:00 AM. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Regulatory Compliance Supervisor Tina Huerta Title May 24, 2011 Date Signature ACCEPTED FOR RECORDIS SPACE FOR FEDERAL OR STATE OFFICE USE Approvéd t Title Date Conditions of approval, if any, are atteched, approval of this notice does not warrant or certify that the applicant helps legal or explanate title to those rights in the subject lease Office entitle the applicant to conduct operations thereon

, make it a crime for any person knowingly and willfully to make to any department or agency of the United States