

UNITED STATES OF AMERICA
New Mexico Oil Conservation Division, District I
DEPARTMENT OF THE INTERIOR 1625 N. French Drive
BUREAU OF LAND MANAGEMENT Hobbs, NM 88240

FORM APPROVED
OMB NO. 1004-0135
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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM81259
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: SHARON COLL E-Mail: scoll@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 SOUTH 4TH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-491-1748	8. Well Name and No. VEST RANCH RE FEDERAL 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 21 T14S R30E NENW 330FNL 1650FWL		9. API Well No. 30-005-21140-00-S1
		10. Field and Pool, or Exploratory VEST RANCH-UPPER PENN
		11. County or Parish, and State CHAVES COUNTY, NM

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 checked="" 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 type="checkbox"/> Other
	<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 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

As requested by Ms. Skaggs in her email to Amanda Trujillo of Yates Petroleum Corporation, dated January 31, 2012, we are submitting a Sundry Notice Subsequent Report for the attached revised Reclamation Plan for the removal of the caliche under item V. Scope of Work, items 1 and 2.

Revised Reclamation Plan is attached.

ACCEPTED FOR RECORD

JUL 25 2012

NAME SKAGGS
**ENVIRONMENTAL PROTECTION
SPECIALIST**

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #129800 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Roswell Committed to AFMSS for processing by DAVID GLASS on 02/01/2012 (12DG0101SE)	
Name (Printed/Typed) SHARON COLL	Title REGULATORY COMPLAINT TECH
Signature (Electronic Submission)	Date 02/01/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

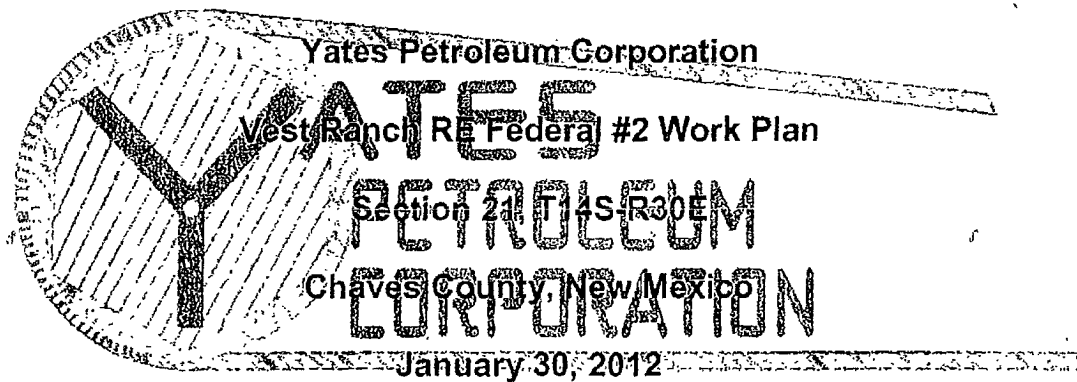
Approved By	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

ROSWELL FIELD 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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

AUG 16 2012



Yates Petroleum Corporation

Vest Ranch RE Federal #2 Work Plan

Section 21, T14S-R30E

Chaves County, New Mexico

PETROLEUM
CORPORATION

January 30, 2012

I. Location

North From Loco Hills on CR217 to Hagerman Hwy., Turn Right and Go East Approx. 1 mile, Turn North on Cindy Rd, Follow Rd North for 2-7/10 miles, Turn Right and Go East 1.2 mile to Fence, Go through Gate and Continue East .8 mile, Turn Left 1/10 mile To Location.
Section 21, T14S-R30E Eddy County, New Mexico

II. Background

September 7, 2011 Yates Petroleum Corp. received an Notice of Written Order from the Bureau of Land Management for further reclamation required at Vest Ranch RE Federal #2 well location. The order required a plan which Work Plan be submitted, detailing corrective actions which include:

- Invasive weed species, Tamarix spp.
- Erosion control
- Reseeding
- Removal of trash

During a site inspection On October 4, 2011, the following observations were made. Two thirds of the location was revegetate, however there was an area starting near the dry hole marker to the west edge of pad which was slow to vegetate. Samples were taken from the area in question (see below). Chloride concentrations are not indicative of sever plant chloride toxicity.

Sample	Cl- (mg/kg)
DHM	1772.6
Middle	1559.93
West	2806.24

The caliche left on location is severely degraded and the edges of the location on the east and west side are built up. One Salt Cedar (Tamarix spp.) was found on the south side of location.

III. Surface and Ground Water

Area soil series is an Roswell-Jalmar Complex according to NRCS Web Soil Survey. Characterized by 1 - 15 % slope, well drained and a textural class of fine sand. Depth to ground water is approximately 75 feet deep according to the Chevron-Texaco Trend Map Circa 2005. Watercourses in the area are dry except for infrequent flows in response to major precipitation events.

The ranking for this site is zero (0) based on the as following:

Depth to ground water < 75'
Wellhead Protection Area > 1000'
Distance to surface water body > 1000'

IV. Soils

The Roswell-Jalmar Complex is characterized by a textural class of a fine sand with a parent material of mixed alluvium and eolian deposits. Characteristics also include high hydraulic conductivity within the first 80" inches. At approximately 80" a hydrological restrictive layer is located. Description of landforms includes plains and alluvial fan with dunal features. The vegetation dominated primarily by a shinnery oak ecosystem.

V. Scope of Work

- 1) Remove caliche from barren area at dry hole marker, west, to end of pad.
Remove caliche off road. Deposit caliche in **FEDERAL** caliche pit, as per BLM direction, Beth Skaggs, Environmental Protection Specialist, Roswell Field Office.
A federal pit is available for contaminated soil/caliche, **location section 15, T. 14 S., R. 30 E.** Fill materials will be deposited so as to keep pit access open by not blocking or impeding access for its reclamation.
- 2) Remove Salt Cedar tree on location.
- 3) Rip and flip the entire location so that the native sand is brought to the surface.
 - a. Rip in several different directions.
- 4) Berm Entrance
- 5) Woodchips will be added when they become available
- 6) In June of 2012 the location will be seeded *recommended seed mixture for Prairie Chicken* Habitat.

