

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OCD HobbsFORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

## 1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

## 2. Name of Operator

Yates Petroleum Corporation

## 3a. Address

105 South Fourth Street, 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' FEL,  
BHL: 330' FSL & 1980' FEL,  
Section 32, T25S-R32E, Unit Letter (Surface O) (BHL J 29-25S-32E)

## 5. Lease Serial No

VB-0777/VB-0787/NM-108971

## 6. If Indian, Allottee or Tribe Name

## 7. If Unit or CA/Agreement, Name and/or No.

## 8. Well Name and No

Jefe BSJ Federal Com #1H

## 9. API Well No

30-025-40722

## 10. Field and Pool, or Exploratory Area

Second Bone Springs

## 11. County or Parish, State

Lea, New Mexico

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                   |   |  |   |
|--|--|---|--|---|
| <input checked="" 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 type="checkbox"/> Subsequent Report           | <input checked="" 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 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 Operations (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.)

Yates Petroleum Corporation respectfully requests permission to use a Flex Hose between the well head and the choke manifold. The manufacturer's certification and specs are attached.

HOBBS OCD

OCT 02 2012

SEE ATTACHED FOR  
RECEIVED CONDITIONS OF APPROVAL

Thank-You,

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

Name (Printed/Typed)

Troy Peterson

Title

Well Planner

Signature

Date

September 11, 2012

THIS SPACE FOR FEDERAL OR STATE 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

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

MW/OCD 10-03-2012

APPROVED

/s/ Chris Walls  
SEP 14 2012BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

OCT 03 2012



Midwest Hose  
& Specialty, Inc.

| INTERNAL HYDROSTATIC TEST REPORT  |   |  |                           |
|---|---|--|---------------------------|
| Customer:<br>CACTUS DRILLING  |   | Customer P.O. Number:<br>ASSET#M10750 SO#74310 |                           |
| HOSE SPECIFICATIONS   |   |  |                           |
| Type: CHOKER & KILL   |   | Hose Length: 35'                               |                           |
| I.D. 4 INCHES   |   | O.D. 8 INCHES                                  |                           |
| WORKING PRESSURE<br>10,000 PSI  | TEST PRESSURE<br>15,000 PSI               |  | BURST PRESSURE<br>N/A PSI |
| COUPLINGS   |   |  |                           |
| Part Number<br>E4.0X64WB<br>E4.0X64WB                                   | Stem Lot Number<br>1Q11 LOT1<br>1Q11 LOT1 | Ferrule Lot Number<br>1Q11 LOT1<br>1Q11 LOT1   |                           |
| Type of Coupling:<br>Swage-It   |   | Die Size:                                      |                           |
| PROCEDURE   |   |  |                           |
| <i>Hose assembly pressure tested with water at ambient temperature.</i> |   |  |                           |
| TIME HELD AT TEST PRESSURE<br>1   |   | ACTUAL BURST PRESSURE:<br>N/A PSI              |                           |
| Hose Assembly Serial Number:<br>74310                                   |   | Hose Serial Number:<br>M10750                  |                           |
| Comments:   |   |  |                           |
| Date:<br>12/2/2010  | Tested:<br><i>Bobby L.C.</i>              | Approved:<br><i>Brent Burnett</i>              |                           |

**Co-Flex line**  
**Conditions of Approval**

Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).