

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

HOBBS OCD
SEP 04 2013

RECEIVED

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. NMNM108971 |
| 2. Name of Operator YATES PETROLEUM CORPORATION Contact: TINA HUERTA E-Mail: tinah@yatespetroleum.com | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210 | 3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585 | 7. If Unit or CA/Agreement, Name and/or No. NMNM128965 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 32 T25S R32E SWSE 330FSL 1980FEL | | 8. Well Name and No. JEFE BSJ FEDERAL COM 1H |
| | | 9. API Well No. 30-025-40722 |
| | | 10. Field and Pool, or Exploratory JENNINGS; BONE SPRING US |
| | | 11. County or Parish, and State LEA COUNTY, NM <i>Lea</i> |

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 recomplate 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 recompletion 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.)

Re: In reference to NM108971 BLM Letter dated 8/19/13

Interim Reclamation has been completed. The location was downsized 120 ft-North to South and 300 ft-East to West and 30 ft-East to West and 250 ft-North to South. Location was seeded in June 2013.

Included is an attachment with updated facility diagram and Interim Reclamation plat that can be used if needed to amend the APD.

Accepted for Record Purposes.
Approval Subject to Onsite Inspection.
If BLM Objectives are not achieved,
additional work may be required.
Date: 9-1-13

| | | | |
|---|--|--------------------------------------|--|
| 14. I hereby certify that the foregoing is true and correct. | | Signature: <i>[Signature]</i> | |
| Electronic Submission #217935 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 08/23/2013 () | | Title REG REPORTING SUPERVISOR | |
| Name (Printed/Typed) TINA HUERTA | | Date 08/22/2013 | |
| Signature (Electronic Submission) | | | |

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 _____ | | |

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

SEP 05 2013

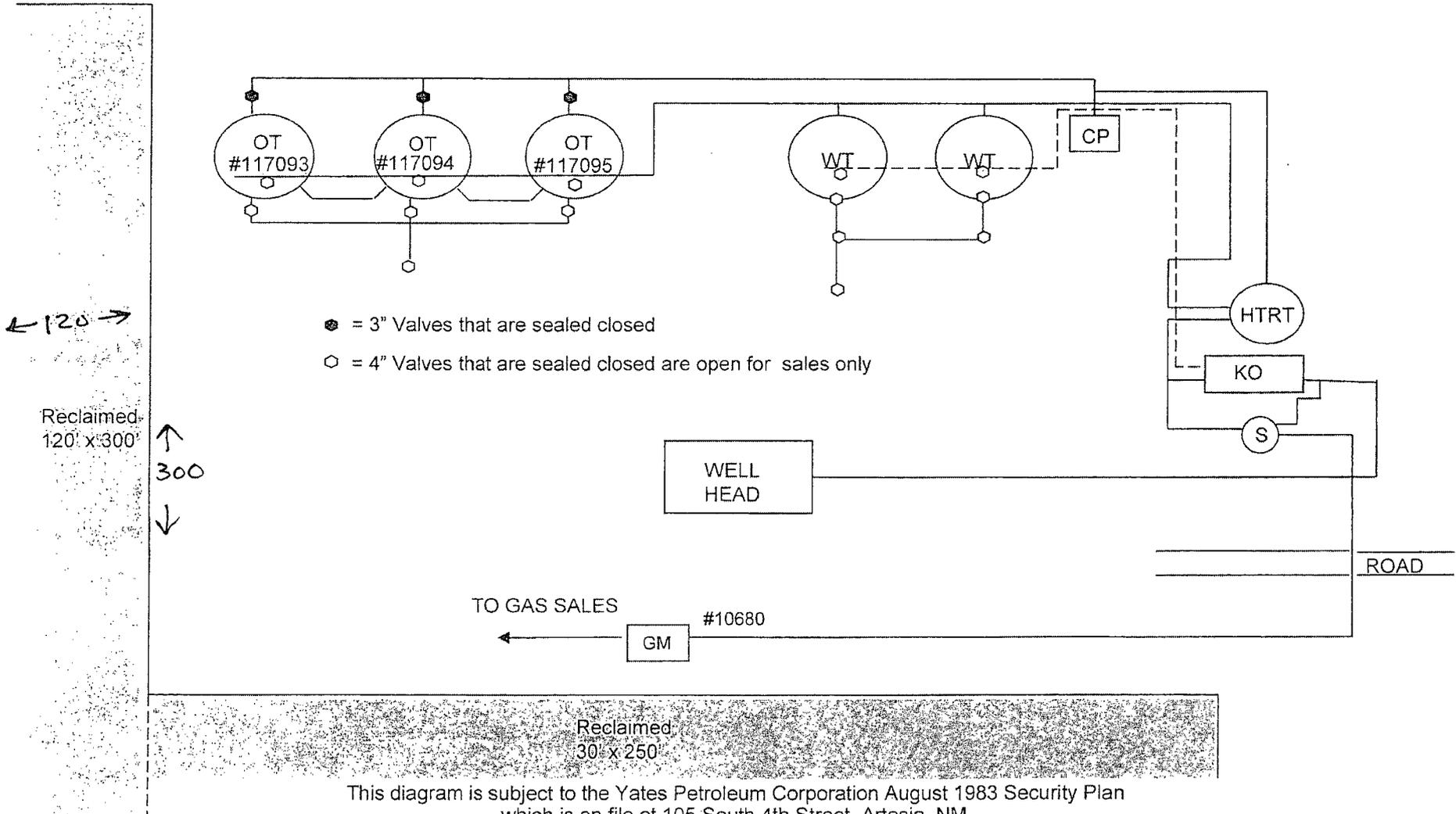


105 South 4th Street * Artesia, NM 88210
(575)-748-1471

-Joe Chavez
May, 2013

JEFE "BSJ" FEDERAL COM #1H

330' FSL & 1980' FEL * Sec 32 - T25S - R32E * Unit O
Lea County, NM
API - 3002540722



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan which is on file at 105 South 4th Street, Artesia, NM