

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM 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)

(505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 17, T21S-R32E

5. Lease Serial No.

NM-94095

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/o

8. Well Name and No.

Caper BFE Federal Wells

9. API Well No.

10. Field and Pool, or Exploratory Area

Wildcat 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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Variance to BOP test.
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 recomple 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 recomple 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 a variance on the following wells to test the 13 3/8" casing and 2000psi BOP to 700psi prior to drilling out to the casing shoe. Surface casing will be set at approximately 2000psi. All of the wells listed below are in Section 17, T21S-R32E.

Caper BFE Federal #6 330FNL & 330FEL API:30-025-38091

Caper BFE Federal #7 330FNL & 1650FEL API:30-025-38092

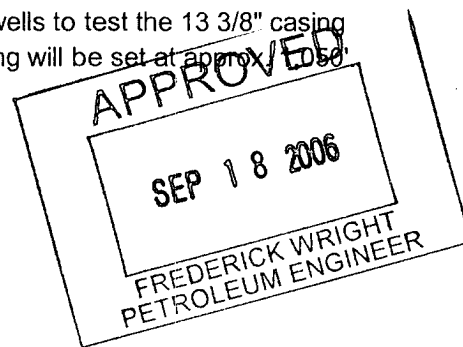
Caper BFE Federal #8 330FNL & 2310FWL API:30-025-38093

Caper BFE Federal #9 990FNL & 990FWL API:30-025-38094

Caper BFE Federal #10 2310FNL & 990FWL API:30-025-38095

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Thank-You,



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

Name (Printed/Typed)

Jeremiah Mullen

Title

Drilling Engineer Asst.

Signature

Jeremiah Mullen

Date

September 13, 2006

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 false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

GWW

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Operator must test 13 3/8 casing, BOPE and BOP to approximately 70% of casing Yield pressure; approximately 750 psi, using clear water or an appropriate clear liquid, as per 43 FR PART 3160 III. A. 2. i. ii.