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JAN 27 2009

HOBBS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division

1625 N. French Dr.

Hobbs, NM 88240

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

SUNDRY NOTICES AND REPORTS
Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
NM-90530
6. If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

| | | |
|--|---|---|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 7. If Unit or CA/Agreement, Name and/or No. |
| 2. Name of Operator Yates Petroleum Corporation | | 8. Well Name and No EMJAY BBJ FEDERAL #1 |
| 3a. Address 105 S. 4th Str., Artesia, NM 88210 | 3b. Phone No. (include area code) 575-748-1471 | 9. API Well No. 30-005-21185 |
| 4. Location of Well (Footage, Sec, T, R, M, OR Survey Description) 1,980' FSL & 660' FWL SECT 8-T6S-R30E UNIT L | | 10. Field and Pool or Exploratory Area WILDCAT U/PENN: MISSISSIPPIAN |
| | | 11. County or Parish, State CHAVES CO, NM |

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 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 checked="" type="checkbox"/> Other <u>Vent Gas</u> |
| | <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 recompleate 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 recompleation 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.

Yates Petroleum Corporation respectfully requests long term permission to vent until well is connected to P/L, plugged or we notify you of any other changes in status.

Volume is TSTM and only sporadically used on lease.

SUBJECT TO
LIKE APPROVAL
BY NMOCD

APPROVED FOR 12 MONTH PERIOD
ENDING JAN 31 2010

| | |
|---|-------------------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Susan S. Lopez | Title Regulatory Compliance Tech |
| Signature <i>Susan S. Lopez</i> | Date January 19, 2009 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|-----------------------------|---------------------|
| Approved by <u>/S/ DAVID R. GLASS</u> | Title PETROLEUM ENGINEER | Date JAN 23 2009 |
| 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 <i>KZ</i> |

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.