New Mexico Oil Conservation Division, District I 1625 N. French Drive

Form 3160-5 (September 2001)

UNITED STATES Hobbs, NM 88240 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No 1004-0135

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals Expires January 31, 2004

5. Lease Senal No NMNM90584

abandoned well. Use Form 3160-3 (APD) for such proposals.				6. If Indian, Allotte	e or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side					7 If Unit or CA/Agreement, Name and/or No	
1 Type of Well Gas Wetl Other					I No	
2. Name of Operator					ner Federal #5	
Yates Drilling Company 3a. Address	3b Phone No. (include area co		9 API Well No 30	0-005-20973		
105 S. 4th Str., Artesia, NM 8	505-748-8663	•		l, or Exploratory Area		
4 Location of Well (Footage, Sec., T, R., M., OR Survey Description)					s QN Gas Area Assoc	
/				11 County or Pari		
330' FNL & 2310' FWL Section 3-13S-31E					NM ,	
12. CHECK APPROPR	LATE BOX(ES) TO IN	IDICATE NATURE OF	NOTICE, REP	ORT, OR OT	HER DATA	
TYPE OF SUBMISSION		TYPE				
Notice of Intent Subsequent Report	Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction X Plug and Abandon	Production (S Reclamation Recomplete Temporarily	Start/Resume) Abandon	Water Shut-Off Well Integrity Other	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Dispos	•		

13 Describe Proposed of 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 recomplete 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)

See Attachment.

RECEIVED

SEP 14 2009 HOBBSOCD

> APPROVED AS TO PLUGGING OF THIS WELL BORE. LIABILITY UNDER BOND IS RETAINED UNTIL SURFACE RESTORATION IS COMPLETED

		"					
14. I hereby certify that the foregoing is true and correct							
Name (Printed/Typed)							
Karen J. Leishman	Title	Operations Tech					
Signature Karen J. Lushman	Date	8/18/2009					
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by	W.	Title PETROLEUM ENGINEER Date	AUG 2 5 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 ROSWELL FIELD OFFICE					
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for an	ny person kno	wingly and willbully 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

Yates Drilling Company Garner Federal #5 Unit C, Section 3-13S-31E Chaves County, NM 30-005-20973 Sundry attachment August 18, 2009

7/2/2009	RUPU and set CIBP at 2,723'.	
11212007	NOT U and Set CIDE at 2,723.	

7/6/2009 Circulated hole with 60 bbls. 10# mud. Spotted 25 sxs cement on top of CIBP. Spotted 25 sxs cement plug at 2,008' to 1,758'. Perforated TOC at 1,130'. Attempted to pump into perfs, unable to, squeezed perfs with 40

sxs cement at 1,180' with 1,500 psi on squeeze.

7/9/2009 Tagged plug at 797'. Perforated at 430' and attempted to pump into perfs

but unable to. Squeezed perfs with 40 sxs cement from 480' to 280'. WOC and tagged plug at 260'. Perforated at 60' and circulated 20 sxs

cement out 5 ½" annulus and casing.

7/10/2009 Cleaned location and installed dry hole marker.

Eddie Fitzpatrick, BLM, witnessed plugging operations.