

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS  
RECEIVED

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

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.

JUL 30 2010

HOBBSOCD

5 Lease Serial No.	NM-94095
6 If Indian, Allottee or Tribe Name	N/A
7 If Unit or CA/Agreement, Name and/or No	N/A
8 Well Name and No	Caper BFE Federal 16H
9 API Well No	30-025-38101
10 Field and Pool or Exploratory Area	Wildcat; Bone Spring
11 County or Parish, State	Lea, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	2 Name of Operator Yates Petroleum Corporation
3a Address 105 S. 4th St., 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 & 990' FWL Sec 17-T21S-R32E (SWSW) BHL 330' FNL & 660' FWL Sec 17-T21S-R32E (NWNW)	

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 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 Spud,
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Csg &
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	Intermediate Csg

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 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.

7/09/10 Spudded 26" conductor hole at 3:30 p.m. Set 90' of 20" conductor. Cemented to surface w/Redi-mix. Notified Marlin w/Lea Co BLM of spud.

7/15/10 Resumed drilling. TD 17-1/2" hole to 1060'. Set 13-3/8" 48# J55 casing @ 1060'. Cemented w/650 sx CI "C" + 3.76#/sx D20 + 0.188#/sx D46 + 0.125#/sx D130 + 94#/sx D903 + 1.88#/sx S001 (yld 1.97, wt 12.9). Tailed in w/200 sx CI "C" + 0.125#/sx D130 + 94#/sx D903 + 0.94#/sx S001 (yld 1.33, wt 14.8). Cement circulated. WOC.

7/16/10 Tested all components to 2000/250 psi. Tested casing to 1200 psi for 30 min. Notified Marlin w/Lea Co BLM. Reduced hole to 12-1/4" & resumed drilling.

7/20/10 TD 12-1/4" hole to 4306'. Set 9-5/8" 36# & 40# J-55 & HCK-55 casing @ 4306'. Cemented w/1150 sx 35:65:6 Poz "C" + 0.177#/sx D13 + 5.325#/sx D20 + 2#/sx D42 + 4.77#/sx D44 + 0.177#/sx D46 + 0.125#/sx D130 + 2764#/sx D132 + 61.1#/sx D903 (yld 2.17, wt 12.4). Tailed in w/200 sx CI "C" + 0.188#/sx D13 + 94#/sx D903 (yld 1.33, wt 14.8). Job witnessed by Kathy w/Lea Co BLM. WOC.

7/21/10 Tested wellhead to 1450 psi - held ok. Nippled up BOP. Tested blinds, pipe rams, choke manifold & floor valve to 3000/250 psi. Tested annular to 1500/250 psi - all tested ok. Tested casing to 1500 psi w/no pressure loss.

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Allison Barton	Title Regulatory Compliance Technician
Signature <i>Allison Barton</i>	Date 7/22/10

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>[Signature]</i>	PETROLEUM ENGINEER <i>[Signature]</i>	ACCEPTED FOR RECORD JUL 28 2010 AUG 03 2010 /s/ Chris Walls BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
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.		
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.		