Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR DUBEAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED OMB No 1004-0137 Expires March 31, 2007

BUREAU OF LAND MANAGEMENT Lease Serial No NM-104706 SUNDRY NOTICES AND REPORTS ON WELLS If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals. If Unit or CA/Agreement, Name and/o SUBMIT IN TRIPLICATE - Other instructions on page 2. Type of Well Well Name and No Oil Well Gas Well Other/ Renegade BPG Federal #1H Name of Operator API Well No Yates Petroleum Corporation 025575 Phone No (include area code) Address 10. Field and Pool, or Exploratory 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471 Wildcat Bone Spring Location of Well (Footage, Sec., T, R, M, or Survey Description) 11. County or Parish, State 660' FNL and 330' FWL Section 18, T26S-R35E Surface Hole Location 660' FNL and 2310' FWL Section 17, T26S-R35E Bottom Hole Location Lea County, New Mexico 12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Production (Start/Resume) Water Shut-Off Deepen Notice of Intent Acidize Well Integrity Reclamation Fracture Treat Alter Casing Other Set New Construction Recomplete Casing Repair Subsequent Report conductor pipe. Temporarily Abandon Change Plans Plug and Abandon Water Disposal Plug Back Final Abandonment Notice Convert to Injection 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 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 must 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 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 wishes to spud the above captioned well and set conductor across August 15, 2010 being the expiration date of the lease. We plan to move on a drilling rig within 60 days after August 15, 2010 to conduct drilling operations.

Thank you.

RECEIVED

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14 I hereby certify that the foregoing is true and correct Name (Printed/Typel)	Title
Cy Cowan	Land Regulatory Agent
Signature Wa	Date August 4, 2010
THIS SPACE FOR	EDERAL OR STATE USE
Approved by /s/ Don Peterson	Title Date AUG - 5 2010
Conditions of approval, if any, are attached. Approval of this notice does not warr certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations thereon.	ont or lease BLM Carlsbad Field Office AUG 1

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 first flows or fraudulent statements or representations as to any matter within its jurisdiction.