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SUNDRY NOTICES AND REPORTS ON WELLS
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-105564
6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other
2. Name of Operator
Yates Petroleum Corporation
3a. Address
105 S. 4th Str., 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 - 1980'FSL & 1980'FWL of Section 21-T25S-R36E (Unit K, NESW)
BHL - 330'FNL & 1980'FWL of Section 21-T25S-R36E (Unit C, NENW)

7. If Unit or CA/Agreement, Name and/or No.
NA
8. Well Name and No.
Herkimer BQF Federal #1H
9. API Well No.
30-025-20381
10. Field and Pool or Exploratory Area
West Jal; Delaware
11. County or Parish, State
Lea County, New Mexico

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
	<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 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.

9/22/10 Began re-entry procedures. NU BOP. Tagged surface plug at 15' and continued to drill through plugs.
10/1/10 Tagged plug at 6558'. Circulated mud out. Tested casing to 500 psi for 30 min, held good. Witnessed by BLM. Drilled out cement down to 6690', circulated clean and continued to drill through the rest of the plugs.
10/3/10 Ran bit and collars down to 10,857'. Tagged liner top. Circulated clean.
10/4/10 TIH with 600' of 2-3/8" tubing, crossover and 10,755' of 2-7/8" tubing. Ease into liner top and run tubing down to 11,355'. Circulated 2 hrs to get gas out. Spotted a 60 sx Class "H" plug from 11,355' up to 10,720'. POOH with tubing. Ran Cement Iso Scan log from 7400' up to 5200'.
10/5/10 Tagged cement plug at 10,755'. Tested casing to 500 psi for 30 min per BLM request. BLM witnessed plug tag and casing test. Set a 65 sx Class "H" plug from 7420'-7750'. Set a CIBP at 7002'. Plug partially set - did not shear off. Pulled out of rope socket. Run GR down to 6992'. Tagged top of rope socket. Set a new CIBP at 6990'. Left plug, setting tool, CCL and rope socket in hole below CIBP at 6990'.

CONTINUED ON NEXT PAGE:

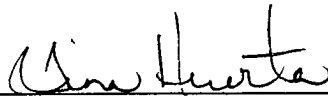
14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tina Huerta
Title Regulatory Compliance Supervisor
Signature *Tina Huerta*
Date November 19, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
ACCEPTED FOR RECORD
JAN 3 2011
/s/ Dustin Winkler
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
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.
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
(Instructions on page 2)

Yates Petroleum Corporation
Herkimer BQF Federal #1H
Section 21-T25S-R36E
Lea County, New Mexico
Page 2

Form 3160-5 continued:

- 10/6/10 Move in rotary tools. ND BOP. Cleaned location. Location ready to move in and rig up drilling rig to drill directionally.
- 10/14/10 Set whipstock. Milling window from 6964'-6971'.
- 10/15/10 KOP at 6977' and continued to drill directionally.
- 10/26/10 Reached TMD 6-1/8" hole to 10,121'.
- 10/28/10 Set 4-1/2" 11.6# HCP-110 LT&C casing at 10,121'. DV tool at 6750'. Float collar at 10,078'. Cemented with 240 sx Halliburton Cem + 30# Calcium Carb + 0.5% Halad4-344 + 0.2% HR-601 (yld 1.87, wt 13.8). Circulated 18 sx to pit.
- 10/30/10 Rig released at 6:00 AM.



Regulatory Compliance Supervisor
November 19, 2010