Form 31/0-5 (February 20)

I. Type of Well

3a. Address

(Instructions on page 2)

Oil Well

2. Name of Operator PRIME OPERATING COMPANY

3300 NORTH A, BLDG. ONE, SUITE 238 MIDLAND, TX 79705

4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description) 1650' FSL & 990' FEL OF SEC. 18, T-98, R-38E

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 200

	\	OMB No. 1004-01
Hobbs		Expires: March 31, 2
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11. Country or Parish, State LEA COUNTY, NEW MEXICO

NM 28065

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

	REPORTS ON WELLS sals to drill or to re-enter an -3 (APD) for such proposals.	6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRIPLICATE – Other instructions on page 2.		7. If Unit of CA/Agreement, Name and/or No.		
Gas Well Oth	er	8. Well Name and No. YATES 18 FED #1		
COMPANY /		9. API Well No. 30-025-27148		
E, SUITE 238 MIDLAND, TX 79705	3b. Phone No. (include area code) 432-682-5770	10. Field and Pool or Exploratory Area SAWYER (SAN ANDRES) ASSOC.		

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat	Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity
Subsequent Report	Casing Repair Change Plans Convert to Injection	New Construction✓ Plug and Abandon✓ Plug Back	Recomplete Temporarily Abandon Water Disposal	Other

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.)

12/06/10 Set CIBP in 4 ½ csg @ 4872'. Load hole w/ 10ppg MLF 87bbls. Spot 25sx cmt 14.8ppg on CIBP.

12/07/10 Could not get 4000' of csg. Free point shows 2315' free pipe. Spot 25sx cmt @ 2950'. Approved by BLM. WOC and tag. Plug @ 2635'. Cut and LD 2315' of 4 1/2 csg.

12/08/10 Spot 80sx cmt 14.8ppg @ 2365' WOC. Tag TOC @ 2124'. Spot 30sx. Plug from 80' to surf.

12/16/10 Cut off well head. Install dry hole marker. Clean loc. Move off.

RECEIVED

Accepted as to plugging of the well bore. Liability under bond is retained until Surface restoration is completed.

JAN 25 2011 HOBBSOCD

Redamation Due 6-6-11		
14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) WAYNE PINKERTON Tit	ie GENERAL MANA	GER
Signature Lepton friken	te 12/16/2010	ACCEPTED FOR RECORD
THIS SPACE FOR FEDERA	L OR STATE OF	FICÉ ÚSE
Approved by Constant	Title	JAN 1 4 2011
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	J. Com
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person fictitious or fraudulent statements or representations as to any matter within its jurisdiction	knowingly and willfully	to make to any department or agency of the United States any false,