

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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 to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NM-94095

6. If Indian, Allottee or Tribe Name

NA

7. If Unit or CA/Agreement, Name and/or No.

NA

8. Well Name and No.

Caper BFE Federal #16H

9. API Well No.

30-025-38101

10. Field and Pool or Exploratory Area

Lost Tank; Delaware

11. County or Parish, State

Lea County, New Mexico

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 - 330'FSL & 990'FWL of Section 17-T21S-R32E (Unit M, SWSW)

BHL - 4946'FSL & 637'FWL of Section 17-T21S-R32E (Unit D, 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 checked="" 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 <u>Completion</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Operations</u>
	<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 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 must 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 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.

8/1/10 Rig released at 9:00 PM.

8/26/10 NU BOP. Tagged at 4465'.

8/29/10 Drilled DV tool at 4465'. Tested DV tool to 1000 psi, held good. Tagged at 7674'. Drilled cement to 7688'. Drilled DV tool at 7688'. Tested DV tool to 1000 psi, held good. TIH with bit to a depth of 8250'. Pulled up to a depth of 7600'.

8/30/10 Worked scraper across DV tools. TIH to a depth of 8250'. Tagged at 12,513'. Attempted to circulate down. Unable to work past 12,513'. Pulled up to 12,480'.

8/31/10 Drilled stringer cement from 12,513' to 12,550'. Drilled rubber plug at 12,550'. Drilled hard cement from 12,551'-12,748'. Pressure tested casing to 2800 psi, held good. Pumped 500g Xylene. Pickled with 1200g 15% HCL acid. Spotted 2500g 15% IC HCL DI acid from 9681'-12,740'.

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

December 21, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Office

FEB 08 2011

JAN 9 2011

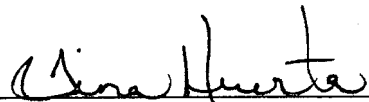
BUREAU OF LAND MANAGEMENT

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

Form 3160-5 continued:

9/1/10 Ran a CBL/GR/CCL from 8620'-3500' with 1200 psi on casing.
9/2/10 Perforated Delaware 12,740' (12), 12,610' (12), 12,480' (12) and 12,350' (12). ND BOP.
10/29/10 Acidized with 2500g 7-1/2% HCL acid ahead of frac. Frac with a 30# borate XL, 3660
bbls fluid, 187,200# 20/40 Ottawa, 15,000# 20/40 RCS.
10/31/10 Pumped a 25 bbl 50# gel slug. Pumped 300 bbls fluid. Cleared 5-1/2" casing to PBTD
at 12,748'.
11/5/10 RIH with multi-finger caliper logging tool and tractor to depth of 10,160'. Ran log from
10,160' to 8200'.
11/9/10 Perforated Delaware 12,000', 11,500', 11,000', 10,500' and 10,000' for a total of 50 holes.
Spotted 2000g 7-1/2% HCL inhibited acid from 12,000'-10,000'. Acidized with 10,000g
7-1/2% HCL acid ahead of frac. Frac with a 30# borate XL, 15,262 bbls fluid, 607,000#
20/40 Ottawa, 395,146# 20/40 RCS.
11/12/10 Spotted 2500g 7-1/2% HCL acid at 9620'.
11/16/10 Perforated Delaware 9540' (10), 9265' (10), 8990' (10) and 8715' (10) for a total of 40 holes.
12/6/10 Acidized with 10,000g 7-1/2% HCL acid ahead of frac. Frac with a 30# borate XL, 7670
bbls fluid, 392,966# 20/40 Ottawa, 163,660# RCS. 2-7/8" 6.5# L-80 tubing at 7661'.

12/17/10 Date of 1st production - Delaware



Regulatory Compliance Supervisor
December 21, 2010