

New Mexico Oil Conservation Division, District

1625 N. French Drive

Hobbs, NM

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010Form 3160-5
(August 2007)

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.MAR 24 2011
HOBBSDC

5. Lease Serial No.

NM-105886

6. If Indian, Allottee or Tribe Name
NA

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

NA

8. Well Name and No.

Vespa BME Federal #1H

9. API Well No.

30-005-29095

10. Field and Pool or Exploratory Area

Wildcat; Abo-Wolfcamp

11. County or Parish, State

Chaves 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 - 2500' FSL & 200' FEL of Section 12-T15S-R31E (Unit I, NESE)

BHL - 2280' FSL & 330' FWL of Section 12-T15S-R31E (Unit L, NWSW)

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

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity

Other Surfaceand IntermediateCasing

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.

3/1/11 Resumed drilling at 8:30 PM. TD 17-1/2" hole to 407'.

3/2/11 Set 13-3/8" 48# J-55 ST&C casing at 407'. Cemented with 470 sx Halcem + 2% CaCl (yld 1.35, wt 14.8). Cement did not circulate. Ran temperature survey and found TOC at 110'. Ran 1" Class "C" cement to surface with 100 sx (yld 1.35, wt 14.8). Tested casing to 1200 psi, Ok. WOC 28 hrs 30 min. Reduced hole to 12-1/4" and resumed drilling.

3/7/11 TD 12-1/4" hole to 4075'.

3/8/11 Set 9-5/8" 36#, 40# K-55 LT&C casing at 4075'. Cemented with 100 sx Thixotropic + 10#/bbl Calseal + 10#/bbl Gilsonite + 0.125#/bbl Poly-E-Flake + 1% CaCl (yld 1.63, wt 14.2) and 1250 sx Econocem "H" + 5#/bbl Gilsonite + 0.125#/bbl Poly-E-Flake + 5% Salt (yld 1.85, wt 12.9). Tailed in with 210 sx Hal Lite Premium Plus "C" (yld 1.33, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 23 hrs 25 min. Reduced hole to 8-3/4" and resumed drilling.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

March 11, 2011

Approved by

ACCEPTED FOR RECORD
/S/ DAVID R. GLASS

PETROLEUM ENGINEER

Date

MAR 28 2011

Conditions of approval, if any, 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

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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)