

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOGS

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Otherb. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Drill Revert
Other _____2. Name of Operator **Yates Energy Corporation**3. Address **P. O. Box 2323, Roswell, NM 88202**3a. Phone No. (include area code)
505-623-4935

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **1550' FSL & 660' FEL of Sec. 23, T23S, R23E**At top prod. interval reported below **1550' FSL & 660' FEL of Sec. 23, T23S, R23E**At total depth **1550' FSL & 660' FEL of Sec. 23, T23S, R23E**14. Date Spudded
01/05/200615. Date T.D. Reached
02/16/200616. Date Completed **07/01/2006**
☐ D & A ☒ Ready to Prod.17. Elevations (DF, RKB, RT, GL)*
4121' GL, KB 4138'18. Total Depth: MD **10,400'**
TVD **10,400'**19. Plug Back T.D.: MD **10,324**
TVD **10,324**20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

AIT, TDD/CNL BCS/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☐ No ☒ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.50	13.375	48		345.90		375 C	97	Surface	None
12.25	8.625	32		2635.86		1125 H	616	Surface	None
7.875	4.50	11.60		10,400	6495.69	1150 H	252	Surface	None
						1175 H	253		

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8	9007	2513						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Morrow	9563	10,038	9795' - 10,232'			
B) Strawn	8627	8864	8628' - 8710'			
C) Cisco	7639	8344	8334' - 8349'			
D) Wolfcamp	7140	7154	7154' - 7171'			

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
9795' - 10,232'	250 gal. 10% Acetic acid; 10,000 st.cu.ft. N2, 3000 gal 7.5% HCL, NEFE acid
8628' - 8710'	250 gal. 10% Acetic acid; 3500 gal. 10% Acetic acid all zones 7000 gal. 15% HCL Nefe Acid
8334' - 8349'	250 gal. 10% Acetic acid;
7144' - 7170'	250 gal. 15% HCL acid; 3600 gal. 15% HCL Nefe Acid

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/01/2006	10/10/2006	24	→	0	39	0	NA	0.700	Flow
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64	363		→	0	39	0	NA	Producing	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/01/2006	10/10/2006	24	→	0	19	0	NA	0.700	Flow
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64	363		→	0	19	0	NA	Producing	

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

DEC 19 2006

FREDERICK WRIGHT
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
				0	19	0	NA		Flow
Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64	SI 363			0	19	0	NA		Producing

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
				0	19	0	NA		Flow
Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64	SI 363			0	19	0	NA		Producing

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Bone Spring	2900	2943	IF 31", 36-83 psig: ISIP 239", 1096 psig, ISF 120", 88-207 psig: FSIP 510", 1066 psig. Rec 375' mud pill, SC rec 2000 cc mud pill w/trace of oil.	Yesso	2250'
2nd Bone Spring	4263	4441	IF 30", 44-42 psig: ISIP 120", 149 psig, ISF 59", 46-95 psig: SSIP 120", 95 psig. ITF 226", 39-48 psig; TSIP 123", 101 psig Rec 680' gas in DP, 8' if drilling fluid SC rec 0.02 cu.ft.gas, 3000 cc drilling fluid	First Bone Spring	2910'
Wolfcamp	7143	7210	IF 15", 38-42 psig: ISIP 104", 1546 psig, ISF 120", 44-54 psig: FSIP 599", 2819 psig. Gas to surface 105" into final flow period. Rec 40' oil cut drilling mud, SC rec .532cu.ft.gas, 400 cc free oil and 800 cc drilling fluid	Second Bone Spring	4282'
Morrow	9956	10,005	IF 12", 73-109 psig: ISIP 120", 3905 psig, ISF 116", 94-191 psig: FSIP 500", 3881 psig. Gas to surface 10" into ISIP, rec 210' drilling mud, 330' fw, SC rec .409 cu.ft.gas, 2200 cc FW	Wolfcamp	7140'
				Cisco Canyon Marker	7639'
				L Cisco Canyon	8264'
				Lower Cisco Canyon Lime	8336'
				Strawn Sand	8627'
				Strawn Sand 2	8689'
				Strawn Sand 3	8701'
				Atoka	9080'
				Upper Morrow	9563'
				Upper Morrow Sand	9795'
				Middle Morrow	9882'
				Lower Morrow	10,032'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☒ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Sheryl L. Jonas

Title Agent for Yates Energy Corp.

Signature

Sheryl L. Jonas

Date

10/17/2006

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.