

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-005-63562

5. Indicate Type of Lease

STATE ☐ FEE ☒

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion:

NEW WORK PLUG DIFF. WELL ☒ OVER ☐ DEEPEN ☐ BACK ☐ RESVR. ☐ OTHER ☒

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South 4th St., Artesia, NM 88210

4. Well Location

Unit Letter M : 660 Feet From The South Line and 660 Feet From The West Line
Section 13 Township 6S Range 26E NMPM Chaves County

10. Date Spudded

RH 5/27/03

RT 5/29/03

11. Date T.D. Reached

6/20/03

12. Date Compl. (Ready to Prod.)

7/9/03

13. Elevations (DF& RKB, RT, GR, etc.)

3793'GR

3806'KB

14. Elev. Casinghead

NA

15. Total Depth

5970'

16. Plug Back T.D.

5475'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

40'-5970'

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

5352'-5360' Wolfcamp

20. Was Directional Survey Made

No

21. Type Electric and Other Logs Run

CNL, Azimuthal Laterolog, Borehole Compensated Sonic

22. Was Well Cored

No

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|------------------------------|------------------|------------------|---------------|
| 16" | | 40' | Conductor | | |
| 9-5/8" | 38# | 972' | 14-3/4" | 800 sx | Circ |
| 5-1/2" | 15.5# | Surface-1816' 1816'-5970' | 8-3/4" 7-7/8" | 550 sx | TOC 3370'CBL |

24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN |
|------|-----|--------|--------------|--------|
| | | | | |
| | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|--------|-----------|------------|
| 2-7/8" | 5252' | 5252' |
| | | |

26. Perforation record (interval, size, and number)

5512'-5520' (32)

5352'-5360' (48)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|---|
| 5512'-5520' | Acidize w/800g 15% IC HCL |
| 5352'-5360' | Acidize w/700g 7-1/2% IC acid and 72 balls |
| | Frac w/45,000g 65Q CO2 foamed 35# x-linked gel 7% KCL water carrying 59,000# 20/40 Brady sand |

28. PRODUCTION

| | | | | | | | | |
|-----------------------|-----------------|---|------------------------|-----------|--------------|--------------------------------|-----------------|--|
| Date First Production | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | | Well Status (Prod. or Shut-in) | | |
| SIWOPL | | | | | | | | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio | |
| 7/9/03 | 24 | 3/8" | | 0 | 724 | 0 | N/A | |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr.) | | |
| 200 psi | Packer | | 0 | 724 | 0 | N/A | | |

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

Sold if produced

Test Witnessed By

Curtis Priddy

30. List Attachments

Logs and Deviation Survey

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Tina Huerta Printed Name Tina Huerta Title Regulatory Compliance Supervisor Date July 10, 2003

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

| | | | |
|--------------------------|--------------------------------|-----------------------------|------------------------|
| T. Anhy _____ | T. Canyon _____ | T. Ojo Alamo _____ | T. Penn. "B" _____ |
| T. Salt _____ | T. Strawn _____ 5548' | T. Kirtland-Fruitland _____ | T. Penn. "C" _____ |
| B. Salt _____ | T. Atoka _____ | T. Pictured Cliffs _____ | T. Penn. "D" _____ |
| T. Yates _____ | T. Miss _____ 5734' | T. Cliff House _____ | T. Leadville _____ |
| T. 7 Rivers _____ | T. Devonian _____ | T. Menefee _____ | T. Madison _____ |
| T. Queen _____ 392' | T. Siluro-Devonian _____ 5765' | T. Point Lookout _____ | T. Elbert _____ |
| T. Grayburg _____ | T. Montoya _____ | T. Mancos _____ | T. McCracken _____ |
| T. San Andres _____ 813' | T. Simpson _____ | T. Gallup _____ | T. Ignacio Otzte _____ |
| T. Glorieta _____ 1863' | T. McKee _____ | Base Greenhorn _____ | T. Granite _____ |
| T. Paddock _____ | T. Ellenburger _____ | T. Dakota _____ | T. Spear _____ |
| T. Blinebry _____ | T. Gr. Wash _____ | T. Morrison _____ | A Interval _____ |
| T. Tubb _____ 3387' | T. Delaware Sand _____ | T. Todilto _____ | B Interval _____ |
| T. Drinkard _____ | T. Bone Springs _____ | T. Entrada _____ | C Interval _____ |
| T. Abo _____ 4070' | T. Yeso _____ 1974' | T. Wingate _____ | T. _____ |
| T. Wolfcamp _____ 4768' | Spear Zone _____ 5102' | T. Chinle _____ | T. _____ |
| B Zone _____ 4862' | Sandlewood _____ 1754' | T. _____ | T. _____ |
| T. Penn Clastics _____ | Buder _____ 5500' | T. Permian _____ | T. _____ |
| T. Cisco _____ 5364' | Pre-Cambrian _____ 5820' | T. Penn "A" _____ | T. _____ |

**OIL OR GAS SANDS
OR ZONES**

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

WELL NAME AND NUMBER Sterne "BCS" No. 2

LOCATION 660' FSL & 660' FWL, Section 13, T6S, R26E, Chaves County NM

OPERATOR Yates Petroleum Corporation

DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

| <u>Degrees @ Depth</u> | <u>Degrees @ Depth</u> | <u>Degrees @ Depth</u> |
|------------------------|------------------------|------------------------|
| <u>1° 514'</u> | <u>3/4° 4112'°</u> | <u>1-1/4° 5086'</u> |
| <u>1/2° 1030'</u> | <u>1-1/2° 4237'</u> | <u>1/2° 5211'</u> |
| <u>1° 1533'</u> | <u>3/4° 4331'</u> | <u>1-1/4° 5337'</u> |
| <u>1/2° 2035'</u> | <u>1° 4457'</u> | <u>1/2° 5462'</u> |
| <u>1/4° 2538'</u> | <u>1/4° 4583'</u> | <u>3/4° 5589'</u> |
| <u>1/2° 3010'</u> | <u>1° 4708'</u> | |
| <u>3/4° 3514'</u> | <u>1-1/4° 4834'</u> | |
| <u>1-3/4° 4018'</u> | <u>1° 4959'</u> | |

Drilling Contractor United Drilling, Inc.

By: George A. Aho

Title: Business Manager

Subscribed and sworn to before me this 25th day of June,
2003.

Karma Jenkins
Notary Public

My Commission Expires: 09-25-03

Chaves NM
County State

