Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: [X] Oil Well [ ] Gas Well [ ] Dry [ ] Other — **DHC-3729**

b. Type of Completion: [X] New Well [ ] Work Over [ ] Deepen [ ] Plug Back [ ] Diff. Resvr., Other:

5. Lease Serial No.: NM-105213

6. If Indian, Allottee or Tribe Name:

2. Name of Operator: Yates Petroleum Corporation

7. Unit or CA Agreement Name and No.:

3. Address: 105 S. 4th Str., Artesia, NM 88210

3a. Phone No. (*include area code*): 505-748-1471

8. Lease Name and Well No.: Jester BFJ Federal #1

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

At Surface: 630'FSL & 2310'FWL (Unit N, SESW)

9. API Well No.: 30-015-34275

10. Field and Pool, or Exploratory: Undes. Pierce Crossing; Bone Spring, East
Undes. Cedar Canyon; Delaware

At top prod. Interval reported below: Same as above

11. Sec., T.,R.,M., on Block and Survey or Area: Section 12-T24S-R29E

At total depth: Same as above

12. County or Parish: Eddy

13. State: New Mexico

RECEIVED
2006 SEP 13 P 2:00
OCD - ARTESIA

14. Date Spudded	15. Date T.D.Reached	16. Date Completed	17. Elevations (DF,RKB,RT,GL)*
RH 4/1/06 RT 4/9/06	5/25/06	[ ] D & A [X] Ready to Prod. 8/8/06	3103'GL 3120'KB

18. Total Depth: MD / TVD	19. Plug Back T.D.: MD / TVD	20. Depth Bridge Plug Set: MD / TVD
9260' / NA	9216' / NA	NA / NA

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

CNL, Hi-Res Laterolog Array, CBL

22 Was Well cored? [X] No [ ] Yes (Submit analysis)
Was DST run? [X] No [ ] Yes (Submit report)
Directional Survey? [X] No [ ] Yes (Submit copy)

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

Hole Size	Size/Grade	Wt.(#/ft.)	Top (MD)	Bottm(MD)	State Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
	20"	Cond.	Surface	40'				Surface	
17-1/2"	13-3/8"	48#	Surface	511'		550 sx		Surface	
11"	8-5/8"	24#,32#	Surface	3175'		1423 sx		Surface	
7-7/8"	5-1/2"	15.5#,17#	Surface	9260'		1446 sx		3300' Est.	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	8303'							

25. Producing Intervals

Formation	Top	Bottom
A) Bone Spring	7616'	9156'
B) Delaware	6028'	7048'
C)		
D)		

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
SEE ATTACHED SHEET			

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

Depth Interval	Amount and Type of Material
SEE ATTACHED SHEET	

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
8/9/06	8/14/06	24	⇨	24	546	74	NA	NA	Pumping

Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status
NA	NA	NA	⇨	24	546	74	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
8/9/06	8/14/06	24	⇨	103	48	314	NA	NA	Pumping

Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status
NA	NA	NA	⇨	103	48	314	NA	Producing

ACCEPTED FOR RECORD
/S/ DAVID R. GLASS
SEP 14 2006
DAVID R. GLASS
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

Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate ⇨	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status

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

Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate ⇨	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status

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.

Formation	Top	Bottom	Description, Contents, etc.

31. Formation (Log) Markers

Name	Top Meas Depth
Rustler	350'
TOS	518'
BOS	3083'
Bell Canyon	3328'
Cherry Canyon	4112'
Brushy Canyon	5408'
Bone Spring	7056'

32. Additional remarks (include plugging procedure):

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

[X] Electrical/Mechanical Logs (1 full set req'd.) [ ] Geologic Report [ ] DST Report [ ] Directional Survey

[ ] Sundry Notice for plugging and cement verification [ ] Core Analysis [X] Other: Deviation Survey

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*) Tina Huerta Title Regulatory Compliance Supervisor

Signature Tina Huerta Date September 8, 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.

Form 3160-4 continued:

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
9152'-9156'		5	Producing
9130'-9144'		15	Producing
9116'-9120'		5	Producing
9085'-9094'		10	Producing
8268'-8278'		11	Producing
8246'-8250'		5	Producing
8232'-8236'		5	Producing
8084'-8090'		7	Producing
8070'-8076'		7	Producing
7616'-7626'		11	Producing
7046'-7048'		3	Producing
7040'-7044'		5	Producing
6946'-6950'		5	Producing
6896'-6900'		5	Producing
6830'-6834'		5	Producing
6410'-6420'		11	Producing
6140'-6148'		9	Producing
6028'-6038'		11	Producing

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

Depth Interval	Amount and Type of Material
9085'-9156'	Acidize w/1500g 7-1/2% HCL with 70 ball sealers
	Frac w/a water frac, 856 bbls fluid, 35,000# 20/40 white sand, 45,000# 20/40 sand
8232'-8278'	Acidize w/1000g 7-1/2% HCL acid with 40 ball sealers
8070'-8090'	Acidize w/750g 7-1/2% HCL w/28 ball sealers
8070'-8278'	Frac w/a water frac, 612 bbls fluid, 50,000# 20/40 sand
7616'-7626'	Acidize w/1000g 7-1/2% HCL acid with 22 ball sealers
6830'-7048'	Acidize w/1100g 7-1/2% HCL acid with 50 ball sealers
	Frac w/a water frac, 836 bbls fluid, 30,000# 20/40 white sand, 50,000# expedite
6410'-6420'	Acidize w/1000g 7-1/2% HCL acid with 22 ball sealers
6140'-6148'	Acidize w/1000g 7-1/2% HCL acid with 20 ball sealers
6028'-6038'	Acidize w/1000g 7-1/2% HCL acid with 22 ball sealers

Regulatory Compliance Supervisor
September 8, 2006