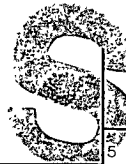


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5 Lease Serial No NM-106905			
b Type of Completion. <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other:						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. Touchdown BJC Federal #1			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface 1980'FSL & 660'FEL (Unit I, NESE) At top prod. Interval reported below Same as above At total depth Same as above <div style="text-align: right; font-size: 1.2em; font-weight: bold;">AUG 02 2007 OCD-ARTESIA</div>						9 API Well No 30-005-63876			
						10 Field and Pool, or Exploratory Coyote; Wolfcamp			
						11. Sec., T., R., M., on Block and Survey or Area Section 11-T12S-R26E			
						12 County or Parish Chaves	13. State New Mexico		
14. Date Spudded RH 4/29/07 RT 5/2/07		15 Date T D Reached 5/21/07		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 6/26/07		17. Elevations (DF,RKB,RT,GL)* 3739'GL 3755'KB			
18. Total Depth. MD 6530' TVD NA		19. Plug Back T D: MD 6485' TVD NA		20 Depth Bridge Plug Set: MD NA TVD NA					
21 Type Electric & Other Mechanical Logs Run (Submit copy of each) CNL, Hi-Res Laterolog Array, Borehole Compensated Sonic, CBL				22 Was Well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)					
23 Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt.(#/ft.)	Top (MD)	Bottom(MD)	State Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
26"	20"	Cond.	Surface	40'		Redi-mix		Surface	
12-1/4"	8-5/8"	24#	Surface	1070'		600 sx		Surface	
7-7/8"	5-1/2"	15.5#	Surface	6530'		1140 sx		Surface	
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"	4664'	4664'							
25 Producing Intervals					26 Perforation Record				
Formation		Top	Bottom		Perforated Interval	Size	No Holes	Perf Status	
A) Wolfcamp		4912'	5062'		4912'-5062'		45	Producing	
B)									
C)									
D)									
27 Acid, Fracture, Treatment, Cement Squeeze, Etc									
Depth Interval		Amount and Type of Material							
4912'-5062'		Acidize w/6000g 20% IC acid and 100 balls							
		Frac w/299,998g Phaser frac, CO2 foam and 102,400# 20/40 white sand							
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
6/27/07	7/7/07	24	⇒	0	653	9	NA	NA	Flowing
Choke Size	Tbg Press Flwg	Csg Press. Packer	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
15/64"	500 psi		⇒	0	653	9	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
			⇒						
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			⇒						

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):				31. Formation (Log) Markers	
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	Name	Top Meas Depth
				Queen	493'
				Penrose	578'
				Grayburg	781'
				San Andres	1024'
				Glorieta	2214'
				Yeso	2327'
				Tubb	3676'
				Abo	4424'
				Wolfcamp	4951'
				Strawn	6141'
				Silurian-Devonian	6194'

32 Additional remarks (include plugging procedure).

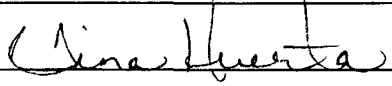
33 Indicate which items have been attached by placing a check in the appropriate boxes

☒ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey

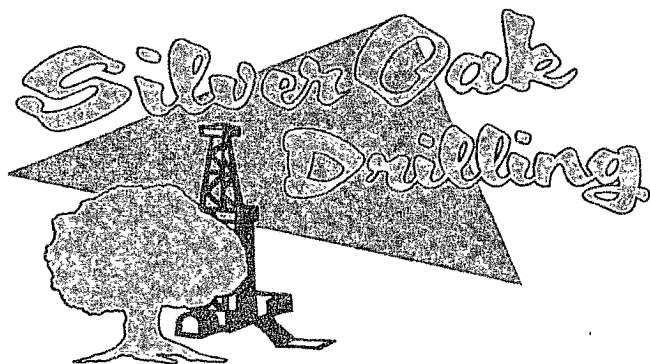
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☒ Other Deviation Survey

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  Date July 31, 2007

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



PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288

June 4, 2007

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88211-1395

RE: Touchdown BJC Fed #1
1980' FSL & 660' FEL
Sec. 11, T12S, R26E
Chaves County, New Mexico

Dear Sir,

The following is the Deviation Survey for the above captioned well.

<u>Depth</u>	<u>Deviation</u>	<u>Depth</u>	<u>Deviation</u>
05/03/2007	209.00 1.00	05/11/2007	4333.00 2.75
05/03/2007	350.00 0.75	05/11/2007	4493.00 3.14
05/03/2007	650.00 1.00	05/12/2007	4563.00 2.75
05/04/2007	1070.00 1.00	05/12/2007	4849.00 1.00
05/06/2007	1313.00 1.00	05/13/2007	5050.00 2.50
05/07/2007	1598.00 1.75	05/14/2007	5206.00 3.00
05/07/2007	1855.00 1.75	05/14/2007	5325.00 3.00
05/07/2007	2107.00 2.00	05/14/2007	5345.00 3.00
05/07/2007	2362.00 1.75	05/15/2007	5452.00 3.00
05/08/2007	2712.00 1.00	05/16/2007	5640.00 2.50
05/08/2007	3062.00 1.00	05/17/2007	5778.00 2.00
05/09/2007	3443.00 1.00	05/18/2007	5969.00 1.50
05/10/2007	3920.00 3.00	05/19/2007	6191.00 1.50
05/10/2007	4015.00 3.00	05/20/2007	6382.00 0.75
05/10/2007	4142.00 2.75	05/21/2007	6530.00 0.75

Very truly yours,

Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 4th day of June, 2007.

Notary Public