

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a Type of Well Oil Well Gas Well Dry Other
 b Type of Completion New Well Work Over Deepen Plug Back Diff Resvr
 Other: _____

5 Lease Serial No.
NM-29623
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) **575-748-1471**

8. Lease Name and Well No.
Filaree AEL Federal #6

4 Location of Well (Report location clearly and in accordance with Federal requirements)*
 At Surface **1650'FSL & 1650'FWL (Unit K, NESW)**
 At top prod Interval reported below
 At total depth

9 API Well No
30-005-63988
10 Field and Pool or Exploratory
Pecos Slope; Abo
11 Sec., T., R., M., on Block and Survey or Area
Section 26-T8S-R26E
12 County or Parish 13. State
Chaves New Mexico

AUG - 1 2008
OCD-ARTESIA

14. Date Spudded **RH 5/13/08 RT 5/15/08** 15 Date T.D Reached **6/3/08** 16. Date Completed **7/18/08**
 D & A Ready to Prod 17 Elevations (DF,RKB,RT,GL)*
3928GL 3940'KB

18 Total Depth MD **6500'** 19 Plug Back T.D.: MD **6145'** 20 Depth Bridge Plug Set MD **6145'**
 TVD **NA** TVD **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? 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)	State Cementer Depth	No of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
	20"	Conductor	Surface	40'		Redi-mix		Surface	
12-1/4"	8-5/8"	24#	Surface	1110'		540 sx		Surface	
7-7/8"	5-1/2"	15.5#	Surface	6500'		1270 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"	4496'	4496'						

25 Producing Intervals 26 Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A) Abo	4602'	4917'	6154'-6176'		92	Under CIBP
B)			4602'-4606'		5	Open
C)			4710'-4714'		5	Open
D)			4725'-4730'		6	Open
E)			4903'-4906'		4	Open
F)			4908'-4917'		10	Open

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
6154'-6176'	Acidize w/2250g 20% IC acid and 138 balls
4602'-4917'	Spotted 2000g 7-1/2% IC acid, Frac w/50,000g Silverstim and 125,000# 20/40 Brady 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
	6/28/08	24	→	0	653	0	NA	NA	
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
3/8"	NA	180 psi	→	0	653	0	NA	SIWOPL	

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	
			→						

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

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 when produced

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

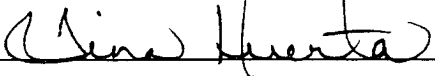
Formation	Top	Bottom	Description, Contents, etc	Name	Top
					Meas Depth
				Yates	208'
				Seven Rivers	313'
				Queen	678'
				Penrose	776'
				Grayburg	897'
				San Andres	1168'
				Glorieta	2254'
				Yeso	2374'
				Tubb	3828'
				Abo	4552'
				Wolfcamp	5248'
				Wolfcamp B Zone	5340'
				Spear	5586'
				Cisco	5828'
				Strawn	5954'
				Silurian-Devonian	6134'
				Precambrian	6382'

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 30, 2008

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

TEACO DRILLING INC.

P.O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 6/9/2008

WELL NAME AND NUMBER FILAREE AEL FEDERAL #6
 LOCATION CHAVES COUNTY
 OPERATOR: YATES PETROLEUM CORP
 DRILLING CONTRACTOR: TEACO DRILLING INC

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
<u>1</u>	<u>250</u>	<u>0.75</u>	<u>2914</u>	<u>2.5</u>	<u>5229</u>
<u>0.25</u>	<u>489</u>	<u>1</u>	<u>3166</u>	<u>2.25</u>	<u>5388</u>
<u>0.75</u>	<u>736</u>	<u>1.75</u>	<u>3420</u>	<u>2</u>	<u>5514</u>
<u>1</u>	<u>1082</u>	<u>1</u>	<u>3673</u>	<u>2</u>	<u>5634</u>
<u>1.25</u>	<u>1347</u>	<u>1.25</u>	<u>3799</u>	<u>2.5</u>	<u>5768</u>
<u>1.25</u>	<u>1600</u>	<u>0.75</u>	<u>4052</u>	<u>2.75</u>	<u>5926</u>
<u>0.75</u>	<u>1857</u>	<u>0.75</u>	<u>4242</u>	<u>3</u>	<u>6053</u>
<u>0.75</u>	<u>2102</u>	<u>0.5</u>	<u>4372</u>	<u>3</u>	<u>6173</u>
<u>0.25</u>	<u>2355</u>	<u>1</u>	<u>4595</u>		
<u>1.25</u>	<u>2604</u>	<u>2</u>	<u>4852</u>		

**AUG - 1 2008
OCD-ARTESIA**

DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 9 DAY OF June, 2008

MY COMMISSION EXPIRES: 3/01/11 [Signature]