

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2004

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: **AMENDED - OIL WELL**

2. Name of Operator
Yates Petroleum Corporation

3. Address 105 S. 4th Str., Artesia, NM 88210
3a. Phone No. (include area code) 505-748-1471

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

At Surface 1310'FSL & 1003'FWL (Unit M, SWSW)
At top prod. Interval reported below Same as above
At total depth 1885'FSL & 759'FWL (Unit L, NWSW)

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MAR - 4 2004

OCD-ARTESIA

5. Lease Serial No.
NM-78214

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.
Anemone ANE Federal #7

9. API Well No.
30-015-33044

10. Field and Pool, or Exploratory
Indian Basin Upper Penn Assoc.

11. Sec., T., R., M., on Block and
Survey or Area
Section 9-T22S-R24E

12. County or Parish 13. State
Eddy New Mexico

14. Date Spudded RH 11/8/03 RT 11/14/03
15. Date T.D. Reached 12/18/03
16. Date Completed 1/19/04
☐ D & A ☒ Ready to Prod.

18. Total Depth: MD 10,500' TVD NA
19. Plug Back T.D.: MD 10,445' TVD NA
20. Depth Bridge Plug Set: MD NA TVD NA

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CNL, High Resolution Laterolog Array, 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
26"	20"		Surface	40'		Conductor		Surface	
14-3/4"	9-5/8"	36#	Surface	1822'		1690 sx		Surface	
8-3/4"	7"	26#	Surface	10,495'		Stage 1: 700 sx		Surface	
						Stage 2 1175 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)

25. Producing Intervals

Formation	Top	Bottom
A) Canyon	7946'	8020'
B)		
C)		
D)		

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
7946'-8020'	.42"	75	Producing

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

Depth Interval	Amount and Type of Material
7946'-8020'	Acidize w/40,000g 20% gelled HCL and 3 stages of rock salt - 6000# salt

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
1/20/04	2/6/04	24	⇒	337	70	833	NA	NA	MAR 2 2004 Pumping
Choke Size NA	BHP Press. Flwg. 520 psi	Csg. Press. NA	24 Hr. Rate ⇒	Oil BBL 337	Gas MCF 70	Water BBL 833	Gas: Oil Ratio NA	Well Status	LES BABYAK PETROLEUM ENGINEER 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):

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

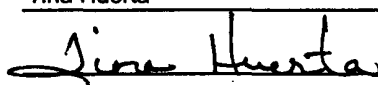
Formation	Top	Bottom	Description, Contents, etc.	Name	Top
					Meas Depth
				1st Bone Spring	1251'
				2nd Bone Spring	3449'
				3rd Bone Spring	6840'
				Wolfcamp	7303'
				Upper Penn	7925'
				Strawn	8933'
				Atoka	9384'
				Morrow	9898'

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey
5. Sundry Notice for plugging and cement verification 6. Core Analysis 7. 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 HuertaTitle Regulatory Compliance SupervisorSignature Date February 23, 2004

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.

OPERATOR: YATES PETROLEUM CORP.
WELL/LEASE: ANEMONE ANE FED. 7
COUNTY: EDDY

514-0074

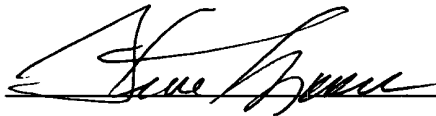
STATE OF NEW MEXICO
DEVIATION REPORT

263	0.75
657	0.75
957	0.50
1,339	1.00
1,624	0.50
2,109	1.00
2,521	1.00
2,934	1.00
3,348	1.25
3,760	0.75
4,203	1.00
4,795	2.60
4,826	2.70
4,858	3.20
5,398	8.70
5,428	8.70
5,460	9.30
6,222	21.10
6,254	20.50
6,285	20.20
6,858	18.50
6,890	19.40
6,959	19.40
8,345	1.75
8,858	1.50
9,016	0.75
9,598	1.50
10,024	1.00
10,500	1.00

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FEB 25 2004

OCD-ARTESIA

By: 

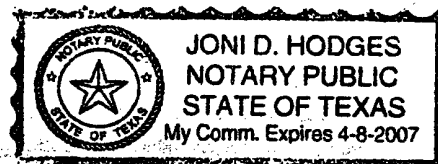
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 24th day of December, 2003, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

My Commission Expires: 4/08/2007


Notary Public for Midland County, Texas



A Gyrodata Directional Survey

Yates Petroleum

Lease: Anemone Ane Fed Well: No. 7, 4-1/2" Drillpipe

Location: Patterson #514, Eddy County, New Mexico

Job Number: MD1103GW313

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
0.00	0.00	0.00	0.0	0.00	0.00	0.0 0.0	0.00 N 0.00 E

0 TO 4700 FT. RATE GYROSCOPIC MULTISHOT RUN INSIDE 4-1/2" DRILLPIPE.							
ALL MEASURED DEPTHS AND COORDINATES REFERENCED TO PATTERSON R.K.B.							

100.00	0.08	39.50	0.0	0.08	100.00	0.1 39.5	0.06 N 0.05 E
200.00	0.09	78.68	0.1	0.06	200.00	0.2 53.3	0.13 N 0.17 E
300.00	0.03	31.17	0.1	0.08	300.00	0.3 58.1	0.16 N 0.26 E
400.00	0.16	80.06	0.0	0.15	400.00	0.5 63.5	0.21 N 0.42 E
500.00	0.18	38.48	0.1	0.12	500.00	0.7 61.6	0.35 N 0.65 E
600.00	0.12	54.53	0.2	0.07	600.00	1.0 57.4	0.54 N 0.84 E
700.00	0.21	20.56	0.3	0.12	700.00	1.2 52.2	0.77 N 0.99 E
800.00	0.18	27.63	0.5	0.04	800.00	1.5 46.3	1.07 N 1.12 E
900.00	0.18	1.03	0.8	0.08	900.00	1.8 41.2	1.37 N 1.19 E
1000.00	0.23	351.68	1.1	0.06	1000.00	2.1 34.1	1.73 N 1.17 E
1100.00	0.35	320.83	1.6	0.19	1100.00	2.4 23.7	2.16 N 0.95 E
1200.00	0.53	316.16	2.3	0.19	1199.99	2.8 9.1	2.73 N 0.44 E
1300.00	0.59	313.87	3.2	0.07	1299.99	3.4 355.8	3.42 N 0.25 W
1400.00	0.63	313.99	4.2	0.03	1399.98	4.3 346.2	4.15 N 1.02 W
1500.00	0.58	311.45	5.2	0.05	1499.98	5.2 339.8	4.87 N 1.79 W
1600.00	0.43	255.05	5.7	0.49	1599.97	5.7 333.7	5.11 N 2.53 W
1700.00	0.86	238.96	5.6	0.46	1699.97	5.8 322.7	4.62 N 3.53 W
1800.00	0.95	235.50	5.4	0.11	1799.95	6.1 307.8	3.76 N 4.86 W
1900.00	1.07	238.31	5.1	0.13	1899.94	6.9 293.8	2.80 N 6.34 W
2000.00	0.99	240.12	4.8	0.08	1999.92	8.1 283.4	1.88 N 7.89 W

A Gyrodata Directional Survey

Yates Petroleum

Lease: Anemone Ane Fed Well: No. 7, 4-1/2" Drillpipe

Location: Patterson #514, Eddy County, New Mexico

Job Number: MD1103GW313

MEASURED DEPTH feet	I N C L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
2100.00	0.92	241.83	4.7	0.08	2099.91	9.4 276.5	1.07 N 9.35 W
2200.00	0.86	238.80	4.5	0.08	2199.90	10.7 271.6	0.30 N 10.69 W
2300.00	0.70	233.72	4.2	0.17	2299.89	11.8 267.8	0.45 S 11.83 W
2400.00	0.76	231.17	3.9	0.06	2399.88	12.9 264.6	1.22 S 12.83 W
2500.00	0.68	226.76	3.5	0.09	2499.87	13.9 261.6	2.05 S 13.78 W
2600.00	0.72	229.59	3.1	0.05	2599.86	15.0 259.0	2.86 S 14.69 W
2700.00	0.83	227.89	2.7	0.11	2699.85	16.2 256.6	3.76 S 15.71 W
2800.00	0.87	218.30	2.1	0.15	2799.84	17.4 253.9	4.84 S 16.72 W
2900.00	0.85	213.78	1.3	0.07	2899.83	18.6 251.0	6.05 S 17.60 W
3000.00	0.87	213.73	0.5	0.02	2999.82	19.8 248.4	7.30 S 18.43 W
3100.00	0.86	213.44	-0.3	0.00	3099.81	21.1 246.1	8.55 S 19.27 W
3200.00	0.82	212.39	-1.1	0.05	3199.80	22.3 244.0	9.79 S 20.07 W
3300.00	0.82	207.46	-2.0	0.07	3299.79	23.5 242.0	11.03 S 20.78 W
3400.00	0.86	203.79	-3.0	0.07	3399.78	24.7 240.0	12.35 S 21.42 W
3500.00	0.78	214.42	-3.8	0.17	3499.77	26.0 238.4	13.60 S 22.10 W
3600.00	0.71	209.42	-4.6	0.09	3599.76	27.1 237.2	14.70 S 22.79 W
3700.00	0.68	207.96	-5.3	0.03	3699.75	28.2 236.0	15.76 S 23.37 W
3800.00	0.77	210.82	-6.1	0.10	3799.74	29.3 234.9	16.87 S 24.00 W
3900.00	0.87	221.38	-6.8	0.18	3899.73	30.7 234.1	18.02 S 24.84 W
4000.00	0.93	222.47	-7.5	0.06	3999.72	32.2 233.5	19.19 S 25.90 W
4100.00	1.07	237.18	-8.0	0.29	4099.71	34.0 233.3	20.29 S 27.23 W
4200.00	1.20	242.04	-8.2	0.16	4199.69	35.9 233.7	21.28 S 28.93 W
4300.00	1.29	251.60	-8.2	0.23	4299.66	38.0 234.4	22.13 S 30.93 W
4400.00	1.54	257.31	-7.9	0.29	4399.63	40.4 235.6	22.78 S 33.31 W

A Gyrodata Directional Survey

Yates Petroleum

Lease: Anemone Ane Fed Well: No. 7, 4-1/2" Drillpipe

Location: Patterson #514, Eddy County, New Mexico

Job Number: MD1103GW313

MEASURED DEPTH feet	INC L deg.	AZIMUTH deg.	VERTICAL SECTION feet	DOGLEG SEVERITY deg./ 100 ft.	VERTICAL DEPTH feet	CLOSURE DIST. AZIMUTH feet deg.	HORIZONTAL COORDINATES feet
4500.00	1.61	259.88	-7.3	0.10	4499.59	42.9 237.1	23.33 S 36.01 W
4600.00	1.70	260.75	-6.7	0.09	4599.55	45.6 238.5	23.81 S 38.86 W
4678.00	1.50	253.58	-6.3	0.36	4677.52	47.6 239.3	24.29 S 40.98 W

Final Station Closure: Distance: 47.64 ft Az: 239.35 deg.

CLIENT: YATES PETROLEUM CORP
WELL: ANEMONE ANE FEDERAL #7

FILE #: 50917

AZ TO TARGET = 336.91

STATION	MEASURED DEPTH	DRIFT	AZMTH	TVD	N/S	E/W	DLS	ClsDisp	ClsAz	V Sectn
1	4678	1.5	253.58	4677.52	-24.29	-40.98	0	47.63785	239.3436	-6.27273
2	4731	1.9	280.2	4730.497	-24.3305	-42.5102	1.649241	48.98047	240.2155	-5.7099
3	4763	2	286	4762.479	-24.0826	-43.569	0.690983	49.78185	241.0685	-5.06664
4	4826	2.7	309.1	4825.427	-22.8438	-45.7774	1.848012	51.16058	243.48	-3.06093
5	4858	3.2	313.4	4857.384	-21.7547	-47.0112	1.70763	51.80082	245.1674	-1.57526
6	4890	3.2	321.2	4889.335	-20.445	-48.2198	1.359602	52.37508	247.0233	0.103531
7	4922	3.4	328.6	4921.282	-18.939	-49.2739	1.469203	52.78825	248.9751	1.902261
8	4954	3.8	333.9	4953.219	-17.1768	-50.2348	1.624787	53.09024	251.1229	3.900133
9	4985	3.8	341.6	4984.151	-15.2796	-51.0109	1.644925	53.25017	253.3252	5.949781
10	5017	4.2	339.7	5016.073	-13.1744	-51.7522	1.316663	53.40274	255.7178	8.177045
11	5049	4.4	339.1	5047.983	-10.9286	-52.5966	0.640608	53.72001	258.262	10.57408
12	5081	4.8	336	5079.879	-8.55873	-53.5791	1.471336	54.25837	260.9242	13.13938
13	5112	5	334.8	5110.766	-6.15151	-54.6818	0.724921	55.02675	263.5814	15.78622
14	5144	5.4	333.1	5142.634	-3.54691	-55.9568	1.339391	56.06913	266.3731	18.68219
15	5176	5.6	335.2	5174.487	-0.78676	-57.293	0.886609	57.29838	269.2132	21.74523
16	5207	6	332.3	5205.328	2.020808	-58.6806	1.599187	58.71534	-88.0277	24.87206
17	5239	6.6	333	5237.135	5.140174	-60.2929	1.890269	60.51159	-85.1271	28.37385
18	5271	6.6	330.9	5268.923	8.385597	-62.0221	0.754233	62.58645	-82.3001	32.03746
19	5303	6.9	330.7	5300.701	11.66875	-63.8572	0.940372	64.91457	-79.6445	35.77726
20	5335	7.5	330	5332.449	15.15369	-65.8421	1.894904	67.56343	-77.039	39.76146
21	5398	8.7	328	5394.819	22.75542	-70.423	1.956295	74.00815	-72.0931	48.55073
22	5460	9.3	330.2	5456.056	31.07935	-75.3976	1.11547	81.55196	-67.5982	58.15875
23	5492	9.7	329.5	5487.617	35.64592	-78.0508	1.301073	85.80539	-65.4538	63.40004
24	5555	10.5	332.6	5549.641	45.31561	-83.3864	1.534858	94.90416	-61.4785	74.38758
25	5619	10.8	336	5612.539	55.97087	-88.509	1.087746	104.7215	-57.6918	86.19821
26	5651	10.9	338.6	5643.967	61.52674	-90.8324	1.560897	109.709	-55.8876	92.22018
27	5683	11.3	340.9	5675.368	67.30627	-92.9623	1.864513	114.7698	-54.0948	98.37199
28	5714	11.6	341.1	5705.751	73.12493	-94.9656	0.976178	119.8571	-52.4032	104.5102
29	5746	11.7	340.9	5737.092	79.2347	-97.0695	0.337023	125.3021	-50.7763	110.9556
30	5778	12	341.6	5768.41	85.45721	-99.1812	1.039546	130.9192	-49.2509	117.5078
31	5841	13.1	345.6	5829.905	98.58748	-103.024	2.224336	142.5955	-46.2607	131.0933
32	5873	13.8	346.1	5861.027	105.8048	-104.843	2.217465	148.952	-44.7384	138.4457
33	5905	14	345.4	5892.09	113.2554	-106.735	0.816552	155.6253	-43.3024	146.0416
34	5937	14.1	344	5923.133	120.748	-108.786	1.107101	162.525	-42.0166	153.738
35	6032	16	346.2	6014.871	144.5887	-115.099	2.088095	184.807	-38.5213	178.1447
36	6128	18.1	347.1	6106.647	171.9766	-121.585	2.20464	210.6152	-35.2597	205.8822
37	6158	18.8	346.7	6135.104	181.2236	-123.737	2.371168	219.4376	-34.3248	215.2325
38	6254	20.5	346.7	6225.511	212.6388	-131.163	1.770833	249.8382	-31.6678	247.0435
39	6317	20.4	346.4	6284.54	234.0466	-136.283	0.229948	270.8337	-30.2118	268.7442
40	6415	22.8	345.6	6375.652	269.0447	-145.023	2.467294	305.6414	-28.3259	304.366
41	6509	23.7	344.8	6462.017	304.9172	-154.506	1.014656	341.8281	-26.8719	341.0837
42	6608	21.7	341.1	6553.349	341.4388	-165.652	2.481315	379.5013	-25.8808	379.0512
43	6699	21.2	341.9	6638.046	372.9952	-176.214	0.63658	412.5249	-25.2874	412.2215
44	6795	18.7	340.5	6728.278	404.0061	-186.745	2.651099	445.0784	-24.808	444.8783
45	6858	18.5	345.2	6787.991	423.1907	-192.67	2.399994	464.9862	-24.4788	464.8496
46	6954	19.2	347.7	6878.843	453.3402	-199.924	1.113228	495.4662	-23.7976	495.4285
47	6986	18.7	347.3	6909.109	463.4856	-202.172	1.614359	505.6606	-23.5668	505.6431
48	7017	18	347.2	6938.532	473.0044	-204.326	2.260346	515.2498	-23.3631	515.2439
49	7049	17.3	346.2	6969.026	482.4466	-206.557	2.383812	524.805	-23.1779	524.8044
50	7145	14.9	343.3	7061.255	508.1345	-213.509	2.635876	551.1687	-22.7913	551.1612
51	7208	13.9	339.3	7122.277	522.972	-218.512	2.23804	566.7867	-22.6765	566.7719
52	7306	10.7	335.4	7218.017	542.2606	-226.462	3.371751	587.6492	-22.6667	587.6331
53	7335	9.8	332.1	7246.554	546.8897	-228.738	3.704402	592.7978	-22.6972	592.7839
54	7437	5.9	326.8	7347.58	558.9529	-235.673	3.884816	606.6053	-22.8619	606.6005
55	7493	5.1	330.8	7403.322	563.5341	-238.463	1.583304	611.9112	-22.936	611.909
56	7557	4.2	331.3	7467.11	568.073	-240.977	1.407662	617.071	-22.9867	617.07
57	7621	2.6	336.6	7530.996	571.4611	-242.679	2.545134	620.8548	-23.0092	620.8542
58	7716	0.9	351	7625.948	574.1758	-243.651	1.834419	623.7337	-22.9939	623.7328
59	7753	0.9	351	7662.944	574.7498	-243.742	0	624.2976	-22.981	624.2965