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

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

5. Lease Serial No.: NM-029588

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.: Temperate BEC Federal #1

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

At Surface: 3960'FNL & 660'FWL (Lot 13)

At top prod. Interval reported below: Same as above

At total depth: Same as above

9. API Well No.: 30-015-34339

10. Field and Pool, or Exploratory: Wildcat Bone Spring

11. Sec., T.,R.,M., on Block and Survey or Area: Section 6-T21S-R29E

12. County or Parish: Eddy

13. State: New Mexico

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OCD - ARTESIA

14. Date Spudded: RH 2/9/06 RT 2/14/06

15. Date T.D.Reached: 4/14/06

16. Date Completed: [ ] D & A [X] Ready to Prod. 7/30/06

17. Elevations (DF,RKB,RT,GL)*: 3443'GL 3461'KB

18. Total Depth: MD 12,740' TVD NA

19. Plug Back T.D.: MD 11,120' TVD NA

20. Depth Bridge Plug Set: MD 11,990', 11,585', 11,120' and 12,250' TVD

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
	30"	Cond.	Surface	79'					
26"	20"	94#	Surface	510'		1050 sx		Surface	
17-1/2"	13-3/8"	54.5#	Surface	1934'		1550 sx		Surface	
12-1/4"	9-5/8"	36#	Surface	3282'		1380 sx		Surface	
8-3/4"	5-1/2"	17#	Surface	12,740'		2880 sx		2850' 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)

25 . Producing Intervals

	Formation	Top	Bottom
A)	Bone Spring	7772'	7926'
B)			
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
7/31/06	8/3/06	24	⇨	0	72	28	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	⇨	0	72	28	NA	Well being tested

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
			⇨					

ACCEPTED FOR RECORD
DEC 8 2006
WESLEY W. INGRAM
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.)*

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	960'
Capitan Reef	1820'
Delaware	3290'
Bone Spring	6616'
3rd Bone Spring	9030'
Wolfcamp	9876'
Strawn	11,104'
Atoka	11,548'
Morrow	11,942'

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 November 16, 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
12,520'-12,530'		61	Squeezed
12,546'-12,550'		25	Squeezed
12,282'-12,290'		49	Under CIBP
12,300'-12,308'		49	Under CIBP
12,326'-12,330'		25	Under CIBP
12,350'-12,356'		37	Under CIBP
12,380'-12,382'		13	Under CIBP
12,410'-12,416'		37	Under CIBP
12,038'-12,048'		61	Under CIBP
12,064'-12,070'		37	Under CIBP
12,112'-12,126'		85	Under CIBP

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf Status
11,596'-11,608'		73	Under CIBP
11,848'-11,854'		37	Under CIBP
11,170'-11,188'		37	Under CIBP
11,214'-11,240'		53	Under CIBP
11,366'-11,374'		17	Under CIBP
11,448'-11,460'		25	Under CIBP
11,532'-11,540'		17	Under CIBP
7772'-7782'		21	Open
7816'-7830'		29	Open
7918'-7926'		17	Open

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

Depth Interval	Amount and Type of Material
12,520'-12,550'	Acidize with 1000g Morrow Type acid with 50 ball sealers
12,520'-12,550'	Squeezed with 150 sx Class "H" cement with additives
12,282'-12,416'	Acidize with 1500g 7-1/2% equal to clay safe "H" acid with 1000 SCF/PB N2
12,038'-12,126'	Acidize with 1500g 7-1/2% acid with 1000 SCF/PB N2
11,596'-11,854'	Acidize with 2500g 7-1/2% HCL acid with 250 ball sealers
11,448'-11,540'	Acidize with 2200g 15% MSA
11,366'-11,374'	Acidize with 1000g 15% MSA
11,170'-11,240'	Acidize with 4250g 15% MSA
7772'-7926'	Acidize with 1500g 7-1/2% IC acid and 100 balls
7772'-7926'	Frac with 58,000g 20# borate, 42,200# 20/40 white sand, 82,480# 20/40 Super set

Regulatory Compliance Supervisor
November 16, 2006

OPERATOR YATES PETROLEUM CORP. 512-5077
WELL/LEASE TEMPERATE BEC FED. 1
COUNTY EDDY

STATE OF NEW MEXICO
DEVIATION REPORT

102	0.75	3,724	0.25
220	1.00	4,198	0.50
327	1.00	4,674	0.25
493	0.25	5,149	0.25
616	1.25	5,593	0.25
775	2.00	6,066	1.00
902	4.00	6,543	1.25
964	4.00	6,830	0.25
974	3.52	7,307	0.50
1,005	3.17	7,453	1.25
1,069	3.52	7,717	0.25
1,101	3.25	7,971	0.25
1,133	2.81	8,224	1.25
1,165	2.46	8,478	0.75
1,196	2.46	8,732	0.75
1,228	2.55	9,208	0.75
1,260	2.29	9,685	0.25
1,292	2.11	10,162	0.25
1,323	1.85	10,636	0.75
1,355	1.58	11,104	0.25
1,418	1.06	11,606	0.25
1,482	0.79	11,932	0.75
1,546	1.06	12,164	1.00
1,609	1.32	12,636	1.25
1,672	1.49	12,740	1.25
1,736	1.76		
1,799	2.11		
1,869	2.02		
2,022	1.75		
2,119	1.00		
2,372	0.75		
2,625	2.50		
2,722	2.00		
2,817	1.50		
3,005	1.50		
3,282	1.00		

BY: _____

STATE OF TEXAS
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on April 26, 2006, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

_____
Notary Public for Midland County, Texas
My Commission Expires: 4/08/07

JONI D. HODGES
NOTARY PUBLIC
STATE OF TEXAS
My Comm. Expires 4-8-2007