

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 Resrv.,
Other: _____

2 Name of Operator
Yates Petroleum Corporation

3 Address 3a Phone No (include area code)
105 S. 4th Str., Artesia, NM 88210 575-748-1471

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

At Surface 1060'FNL & 1650'FEL (Unit B, NWNE)

At top prod Interval reported below

At total depth

APR 24 2008
OCD-ARTESIA

5 Lease Serial No

NM-104661

6 If Indian, Allottee or Tribe Name

7 Unit or CA Agreement Name and No
NM-116468

8 Lease Name and Well No
Paintbrush BHR Federal Com #2

9 API Well No
30-015-35711

10 Field and Pool or Exploratory
Chosa Draw; Morrow

11 Sec, T, R, M, on Block and
Survey or Area
Section 20-T25S-R26E

12 County or Parish 13 State
Eddy New Mexico

14 Date Spudded 15. Date T.D Reached 16 Date Completed 3/20/08
RH 12/5/07 RT 12/11/07 2/8/08 ☐ D & A ☒ Ready to Prod.

17 Elevations (DF,RKB,RT,GL)*
3436'GL 3455'KB

18 Total Depth MD 12,170' 19. Plug Back T.D. MD 12,126' 20. Depth Bridge Plug Set MD NA
TVD NA TVD NA TVD NA

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

Density/Neutron, Hi-Res 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"	Cond.	Surface	40'		Redi-mix		Surface	
17-1/2"	13-3/8"	48#	Surface	385'		450 sx		Surface	
12-1/4"	9-5/8"	36#	Surface	1705'		800 sx		Surface	
8-3/4"	7"	26#	Surface	8600'		1040 sx		Surface	
6-1/8"	4-1/2"	11.6#	Surface	12,170'		300 sx		7350'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	Perforated Interval	Size	No Holes	Perf Status
A) Morrow	11,676'	12,082'	11,788'-11,792'		24	Producing
B)			11,826'-11,830'		24	Producing
C)			12,078'-12,082'		24	Producing
D)			11,700'-11,714'		84	Producing
E)			11,676'-11,688'		72	Producing

26 Perforation Record

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
12,078'-12,082'	Acidize w/500g 7-1/2%
11,826'-11,830'	Acidize w/1000g 7-1/2%
11,788'-12,082'	Frac w/42,500g 60Q CO2 foam and 27,000# 20/40 Bauxite

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
3/21/08	4/18/08	24	→	0	2431	8	NA	NA	Flowing
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64"	3110 psi	NA	→	0	2431	8	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	
			→						

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

FOR RECORDS ONLY

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)_i

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
				Delaware	1880'
				Bone Spring	5370'
				Wolfcamp	8470'
				Strawn	10,596'
				Atoka	10,842'
				Morrow	11,370'

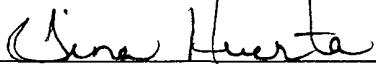
32 Additional remarks (include plugging procedure)

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 April 18, 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

(Continued on page 3)

(Form 3160-4, page2)

OPERATOR
WELL/LEASE
COUNTY

Yates Petroleum
Paintbrush BHR Fed Com #2
Eddy

Rig 511

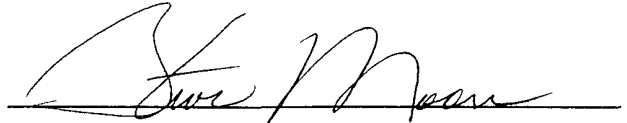
STATE OF NEW MEXICO
DEVIATION REPORT

195	1.00	8,396	1.25
337	1.50	8,623	1.00
417	1.00	8,876	2.25
565	1.25	9,003	2.75
659	1.25	9,152	3.25
787	1.00	9,247	2.81
881	1.25	9,389	1.06
975	1.25	9,515	0.53
1,071	1.25	9,632	0.52
1,166	0.50	9,776	0.75
1,262	0.50	9,965	0.75
1,389	0.50	10,154	1.00
1,515	1.00	10,378	1.25
1,611	1.25	10,602	0.75
1,766	1.00	10,949	0.75
1,924	0.75	11,300	1.00
2,179	0.75	11,552	1.50
2,432	0.75	11,805	0.75
2,718	0.50	12,170	1.50
3,193	0.50		
3,669	0.25		
4,177	0.75		
4,621	1.25		
4,938	1.00		
5,193	1.00		
5,446	0.75		
5,954	2.75		
6,049	2.75		
6,144	2.15		
6,398	2.25		
6,525	1.50		
6,936	2.25		
7,063	2.50		
7,191	2.50		
7,318	3.00		
7,445	2.75		
7,572	2.25		
7,762	2.25		
7,920	2.00		
8,079	2.00		

STATE OF TEXAS

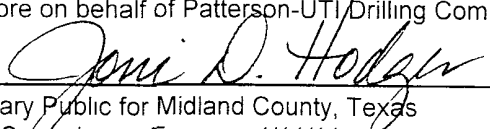
COUNTY OF MIDLAND

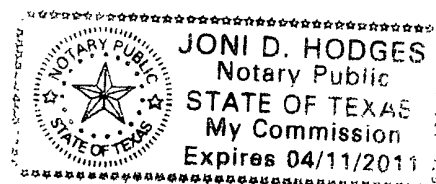
BY:



The foregoing instrument was acknowledged before me on
Moore on behalf of Patterson-UTI Drilling Company LLC.

February 14, 2008, by Steve


Notary Public for Midland County, Texas
My Commission Expires 4/11/11





DIRECTIONAL SURVEY REPORT

YATES PETROLEUM

PAINTBRUSH BHR FED COM #2

EDDY COUNTY, NEW MEXICO

PREPARED BY: FRANCISCO SINISTERRA

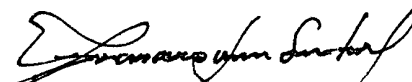
Pathfinder Energy Services, Inc.
6213 W. County Road 112 • Midland, TX • 79706
(432)681-6000

DIRECTIONAL SURVEY COMPANY REPORT:

1. NAME OF SURVEYING COMPANY: PATHFINDER ENERGY SERVICES
2. NAME OF PERSON(S) PERFORMING SURVEY:
A) JOHN PATTERSON
3. POSITION OF SAID PERSON(S): (A-F) SURVEYORS (FIELD ENGINEERS)
4. DATE(S) ON WHICH SURVEY WAS PERFORMED: 01/09/2008 TO 01/14/2008
5. STATE IN WHICH SURVEY WAS PERFORMED: NEW MEXICO
6. LOCATION OF WELL: EDDY COUNTY, NM
7. TYPE OF SURVEY(S) PERFORMED: MWD
8. COMPLETE IDENTIFICATION OF WELL:

YATES PETROLEUM
PAINTBRUSH BHR FED COM #2
EDDY COUNTY, NM
RIG: PATTERSON #511
9. SURVEY CERTIFIED FROM: 9143 TO 9632 FEET MEASURED DEPTH.

THIS IS TO VERIFY THAT ATTACHED DOCUMENTS SHOWING THE WELL TO BE
DISPLACED AT 13.65 FEET ON A BEARING OF 191.32 DEGREES FROM THE
CENTER OF THE ROTARY TABLE AT A PROJECTED BIT DEPTH OF 9686 FEET,
ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.



FRANCISCO SINISTERRA
M/LWD SERVICE COORDINATOR

PathFinder Energy Services, Inc.

BHL Report

Page 01/01
Tie-in Date: 01/09/2008
Date Completed: 01/14/2008

YATES PETROLEUM
PAINTBRUSH BHR FED COM #2
EDDY COUNTY, NM
Rig: PATTERSON 511
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers: JOHN PATTERSON

Survey Horiz. Reference: WELLHEAD
Ref Coordinates: LAT: 32.7.11.7557 N LON: 104.18.41.9250 W
GRID Reference: NAD83 new mexico east Transverse Mercator
Ref GRID Coord: X: 548051.6000 Y: 407368.1000
North Aligned To: GRID NORTH
Total Magnetic Correction: 8.30° EAST TO GRID
Vertical Section Plane: 0.00
Survey Vert. Reference: 19.00' Kelly Bushing To Ground
Altitude: 3436.00' Ground To MSL

Measured Depth	9686.00	(feet)
Inclination	0.35	(deg)
Azimuth	138.03	(deg)
True Vertical Depth	9685.72	(feet)
Vertical Section	-13.38	(feet)
Survey X cord	548048.92	(feet)
Survey Y cord	407354.72	(feet)
Survey Lat	32.11989534 N	(deg)
Survey Lon	104.31165449 W	(deg)
Rectangular Corr. N/S	13.38 S	(feet)
Rectangular Corr. E/W	2.68 W	(feet)
Closure Distance	13.65	(feet)
Direction of Closure	191.32	(deg)
Dogleg Severity	0.00	(deg/100ft)

PathFinder Energy Services, Inc.

Survey Report

YATES PETROLEUM
PAINTBRUSH BHR FED COM #2
EDDY COUNTY, NM
Rig:PATTERSON 511
PathFinder Office Supervisor: CODY MEBANE
PathFinder Field Engineers: JOHN PATTERSON

Survey Horiz. Reference:WELLHEAD
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Reference:NAD83 new mexico east Transverse Mercator
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North Aligned To:GRID NORTH
Total Magnetic Correction: 8.30° EAST TO GRID
Vertical Section Plane: 0.00
Survey Vert. Reference: 19.00' Kelly Bushing To Ground
Altitude:3436.00' Ground To MSL

Survey Calculations by PathCalc v1.97 using Minimum Curvature

Measured Depth (ft)	Incl (deg)	Drift Dir. (deg)	TVD (ft)	Course Length (ft)	Vertical Section (ft)	TOTAL Rectangular Offsets (ft) (ft)		Closure Dist Dir (ft) (deg)	DLS (dg/100ft)	
TIE IN ASSUMING VERTICAL @ 9083' MD.										
9083.00	0.00	0.00	9083.00	0.00	0.00	0.00	0.00	0.00@ 0.00	0.00	
THE FOLLOWING ARE PATHFINDER MWD SURVEYS.										
9143.00	3.08	216.07	9142.97	60.00	-1.30	1.30 S	0.95 W	1.61@ 216.07	5.13	
9152.00	3.25	218.01	9151.96	9.00	-1.70	1.70 S	1.25 W	2.11@ 216.30	2.23	
9184.00	3.08	213.09	9183.91	32.00	-3.13	3.13 S	2.28 W	3.87@ 215.99	1.00	
9215.00	2.73	192.70	9214.87	31.00	-4.55	4.55 S	2.89 W	5.39@ 212.44	3.50	
9247.00	2.81	189.35	9246.83	32.00	-6.07	6.07 S	3.19 W	6.86@ 207.71	0.56	
9266.00	2.73	187.60	9265.81	19.00	-6.98	6.98 S	3.32 W	7.73@ 205.47	0.61	
9296.00	2.46	189.00	9295.78	30.00	-8.32	8.32 S	3.52 W	9.04@ 202.92	0.92	
9328.00	1.41	186.45	9327.76	32.00	-9.39	9.39 S	3.67 W	10.08@ 201.35	3.29	
9389.00	1.06	175.12	9388.75	61.00	-10.70	10.70 S	3.71 W	11.32@ 199.11	0.70	
9452.00	1.23	180.65	9451.73	63.00	-11.96	11.96 S	3.67 W	12.51@ 197.04	0.32	
9515.00	0.53	136.44	9514.73	63.00	-12.84	12.84 S	3.47 W	13.30@ 195.13	1.47	
9578.00	0.26	81.43	9577.72	63.00	-13.03	13.03 S	3.13 W	13.40@ 193.50	0.69	
9632.00	0.35	138.03	9631.72	54.00	-13.14	13.14 S	2.90 W	13.45@ 192.44	0.56	
STRAIGHT LINE PROJECTION TO BIT AT 9686' MD.										
9686.00	0.35	138.03	9685.72	54.00	-13.38	13.38 S	2.68 W	13.65@ 191.32	0.00	

PathFinder Energy Services, Inc.

Magnetic & Grid Calculations

YATES PETROLEUM
PAINTBRUSH BHR FED COM #2
EDDY COUNTY, NEW MEXICO
Rig:PATTERSON 511

Wed Jan 09 09:22:24 2008

Coordinates

Latitude: 32.119932 N (32 deg. 7 min. 11.7557 sec.)
Longitude: 104.311646 W (-104 deg. 18 min. 41.9250 sec.)
Elevation: 3436.00 feet.
Calculation Date: Jan/09/2008

Magnetic Calculations

Model: IGRF2005
Dip Angle: 60.0502 degrees
Total Magnetic Field: 0.48833 gauss
Magnetic Declination: 8.306650 degrees
Horizontal Intensity: 0.243795 gauss
To Convert a Magnetic Dir. to a TRUE North Dir. Add 8.306650 Degr

Transverse Mercator Grid Calculations NAD83

Grid System: Transverse Mercator: new mexico east
Ellipsoid: GRS80
X: 548051.6000 feet
Y: 407368.1000 feet
True to Grid: (convergence) -0.011531 degrees
Magnetic to Grid: 8.295119 degrees
To Convert a Magnetic Dir. to a GRID dir. Add 8.295119 Degr.