

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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 ☐ Otherb. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr.,
Other: _____

2. Name of Operator

Yates Petroleum Corporation

3. Address

105 S. 4th Str., Artesia, NM 88210

3a. Phone No (include area code)

575-748-1471

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

At Surface 660'FNL & 1980'FWL (Unit C, NENW)

At top prod. Interval reported below

At total depth

5. Lease Serial No

NM-82904

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No

8. Lease Name and Well No

Adeline ALN Federal #4

9. API Well No

30-015-35523

10. Field and Pool or Exploratory

Sand Dunes; Delaware, South

11. Sec., T., R., M., on Block and
Survey or Area

Section 6-T24S-R31E

12. County or Parish

Eddy

13. State

New Mexico

14. Date Spudded

RH 5/22/08 RT 5/24/08

15. Date T.D. Reached

6/9/08

16. Date Completed

7/1/08

☐ D & A☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*

3401'GL 3419'KB

18. Total Depth MD 8231'
TVD NA19. Plug Back T.D.. MD 8187'
TVD NA20. Depth Bridge Plug Set: MD NA
TVD NA

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

CNL, 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 |
|-----------|------------|------------|----------|------------|-------------------------|--------------------------------|---------------------|-------------|---------------|
| 20" | Conductor | | Surface | 40' | | Redi-mix | | Surface | |
| 17-1/2" | 13-3/8" | 48# | Surface | 856' | | 750 sx | | Surface | |
| 11" | 8-5/8" | 24#, 32# | Surface | 4097' | | 1400 sx | | Surface | |
| 7-7/8" | 5-1/2" | 15.5#, 17# | Surface | 8231' | | 950 sx | | 430'CBL | |

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" | 8005' | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | 26 Perforation Record |
|-------------|-------|--------|---|
| A) Delaware | 6560' | 7918' | Perforated Interval Size No Holes Perf Status |
| B) | | | |
| C) | | | |
| D) | | | |

SEE ATTACHED SHEET

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

| Depth Interval | Amount and Type of Material |
|----------------|------------------------------------|
| 7718'-7918' | Frac w/94,323# 20/40 Expedite |
| 6560'-6760' | Frac w/99,342# 20/40 Expedite sand |

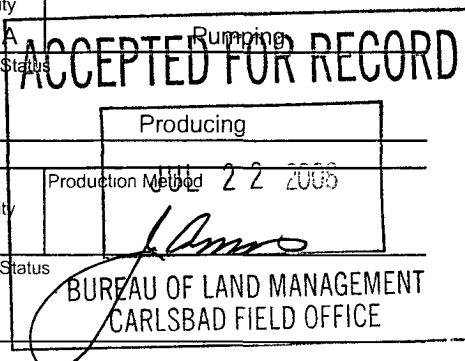
28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 7/1/08 | 7/6/08 | 24 | → | 235 | 181 | 358 | NA | NA | Rumpling |
| Choke Size | Tbg Press Flwg | Csg Press | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| NA | NA | NA | → | 235 | 181 | 358 | 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)



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 |
| | | | | Rustler | 423' |
| | | | | TOS | 763' |
| | | | | BOS | 3897' |
| | | | | Bell Canyon | 4170' |
| | | | | Cherry Canyon | 5107' |
| | | | | Brushy Canyon | 6814' |
| | | | | Bone Spring | 7992' |


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 8, 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

Yates Petroleum Corporation
Adeline ALN Federal #4
Section 6-T24S-R31E
Eddy County, New Mexico
Page 3

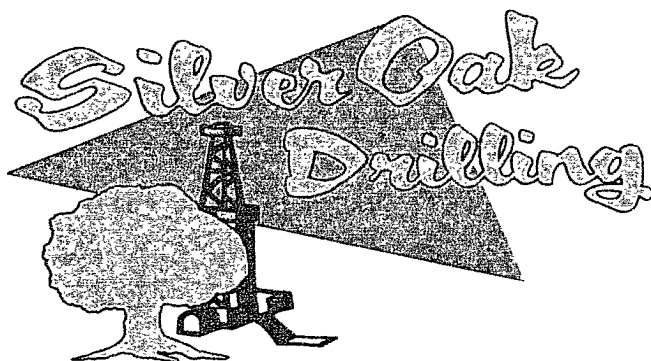
Form 3160-4 Continued:

26. Perforation Record

| Perforated Interval | Size | No. Holes | Perf. Status |
|---------------------|------|-----------|--------------|
| 7718'-7724' | | 7 | Producing |
| 7746'-7750' | | 5 | Producing |
| 7878'-7886' | | 9 | Producing |
| 7914'-7918' | | 5 | Producing |
| 6560'-6574' | | 15 | Producing |
| 6700'-6704' | | 5 | Producing |
| 6756'-6760' | | 5 | Producing |



Regulatory Compliance Supervisor
July 8, 2008



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

June 23, 2008

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

RE: Adeline ALN Federal #4
660' FNL & 1980' FWL
Sec. 6, T24S, R31E
Eddy 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> |
|--------------|------------------|--------------|------------------|
| 395.00 | 0.25 | 3585.00 | 2.75 |
| 638.00 | 0.50 | 3648.00 | 3.00 |
| 818.00 | 1.00 | 3741.00 | 2.00 |
| 1096.00 | 0.75 | 3835.00 | 2.00 |
| 1345.00 | 0.50 | 3899.00 | 2.00 |
| 1625.00 | 0.75 | 4299.00 | 1.00 |
| 1905.00 | 1.25 | 4577.00 | 0.75 |
| 2029.00 | 1.00 | 4827.00 | 0.75 |
| 2154.00 | 1.00 | 5294.00 | 1.00 |
| 2310.00 | 1.75 | 5480.00 | 1.00 |
| 2434.00 | 1.25 | 5762.00 | 0.25 |
| 2508.00 | 1.25 | 6228.00 | 1.25 |
| 2590.00 | 1.50 | 6537.00 | 0.75 |
| 2683.00 | 0.75 | 6817.00 | 0.75 |
| 2808.00 | 0.75 | 7162.00 | 0.75 |
| 2994.00 | 0.25 | 7350.00 | 0.75 |
| 3274.00 | 0.25 | 7668.00 | 1.00 |
| 3463.00 | 3.25 | 8002.00 | 1.25 |
| 3494.00 | 3.00 | | |

Very truly yours,

Eddie LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 23rd day of June, 2008.

Notary Public