

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM 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

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 1343'FSL & 1911'FWL (Unit K, NESW)

At top prod. Interval reported below

At total depth 713'FSL & 680'FWL (Unit M, SWSW)

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OCD-ARTESIA

5. Lease Serial No.

NM-92146

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.

Arley Federal Unit #1

9. API Well No.

30-015-32684

10. Field and Pool, or Exploratory

Wildcat Upper Penn

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

Section 6-T20S-R23E

12. County or Parish

Eddy

13. State

New Mexico

14. Date Spudded
RH 5/1/03 RT 5/9/03

15. Date T.D. Reached
6/20/03

16. Date Completed 10/29/03
☐ D & A ☒ Ready to Prod.

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

4176'GL 4194'KB

18. Total Depth: MD 8470'
TVD NA

19. Plug Back T.D.: MD 7060'
TVD NA

20. Depth Bridge Plug Set: MD 8180', 7974' & 7600'
TVD NA

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CNL, Azimuthal Laterolog
Slim Access-CNL, Medium Dual Laterolog Tool

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"		Surface	80'		Conductor		Surface	
17-1/2"	13-3/8"	48#	Surface	343'		500 sx		Surface	
12-1/4"	8-5/8"	24#	Surface	1608'		1385 sx		Surface	
7-7/8"	5-1/2"	15.5#, 17#	Surface	7350'		1305 sx			
4-3/4"	3-1/2"	9.2#	Surface	8460'		90 sx		6419'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)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Canyon	6960'	6970'	8210'-8218'		49	Under CIBP
B)			8022'-8032'		61	Under CIBP
C)			7614'-7630'		97	Under CIBP
D)			7502'-7510'		49	Under RBP
E)			6960'-6970'		11	Open

26. Perforation Record

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

Depth Interval	Amount and Type of Material
8022'-8032'	Acidize w/750g 7-1/2% IC HCL, Frac w/13,734g 60Q foam frac, Spearhead 750g 7-1/2% IC HCL acid, 250 sx 20/40 tempered sand
8210'-8218'	Acidize w/750g 7-1/2% IC HCL
7614'-7630'	Acidize w/1000g 7-1/2% IC HCL acid, Frac w/30,000# 20/40 tempered DC sand
7502'-7510'	Acidize w/750g 7-1/2% IC HCL acid
6960'-6970'	Acidize w/2500g 20# Ferchek acid

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
	9/5/03	24 hrs	⇒	0	810	0	NA	NA	ACCEPTED FOR RECORD
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
3/4"	35 psi	NA	⇒	0	810	0	NA		NOV 3 2003 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
			⇒						LEO BABYAK PETROLEUM ENGINEER
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 if 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
				San Andres	395'
				Glorieta	1837'
				Upper Yeso	2086'
				Tubb	2808'
				Lower Yeso	2933
				Abo	3454'
				Wolfcamp	4648'
				Cisco	6106'
				Strawn	7258'
				Atoka	7465'
				Morrow	8100'
				Chester	8384'

32. Additional remarks (include plugging procedure):

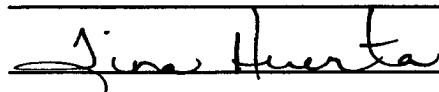
33. Circle enclosed attachments:

- ☒ 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 Huerta Title Regulatory Compliance Supervisor

Signature


Date October 29, 2003

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
WELL/LEASE: ARLEY FED. UNIT #1
COUNTY: EDDY

512-5054

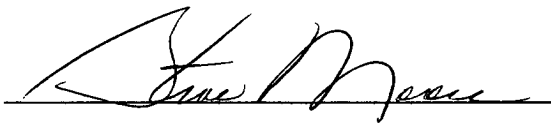
STATE OF NEW MEXICO
DEVIATION REPORT

303	1/2
583	2 1/4
706	1 3/4
829	2
953	1 3/4
1,109	1
1,301	1
1,585	3/4
2,076	1/4
2,552	1/2
3,028	3/4

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OCD-ARTESIA

By: 

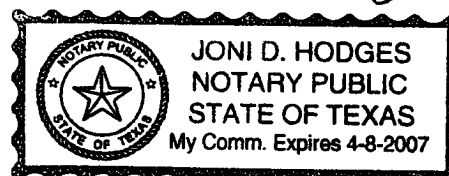
STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 24th day of June, 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





Scientific Drilling

YATES PETROLEUM

Field: Unknown
Site: Eddy County, NM
Well: Arley BBE Federal #1
Wellpath: VH - Job #32K0503243
Survey: 05/20/03

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OCD-ARTESIA

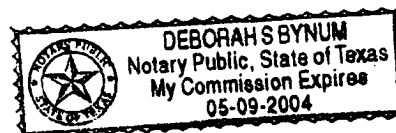
This survey is correct to the best of my knowledge
and is supported by actual field data.

[Signature] Company Representative

Notorized this date 14th of July, 2003.

Deborah Sue Bynum
Notary Signature

County of Midland
State of Texas



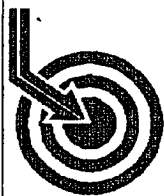
Scientific Drilling Survey Report

Company: YATES PETROLEUM Field: Unknown Site: Eddy County, NM Well: Arley BBE Federal #1 Wellpath: VH - Job #32K0503243	Date: 7/13/2003 Co-ordinate(NE) Reference: Vertical (TVD) Reference: Section (VS) Reference: Survey Calculation Method:	Time: 20:25:26 Site: Eddy County, NM, True North SITE 0.0 Well (0.00N,0.00E,185.42Azi) Minimum Curvature	Page: 1 Db: Sybase
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Survey: 05/20/03 KSRG 0'-3264' Company: Scientific Drilling Tool: Keeper, Keeper Gyro	Start Date: 5/20/2003 Engineer: Cary Coffee Tied-to: From Surface
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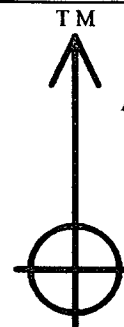
Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.0	0.00
100.0	0.45	40.52	100.0	-0.3	0.3	0.3	0.45	0.4	40.52
200.0	0.16	143.59	200.0	-0.5	0.5	0.6	0.51	0.8	50.75
300.0	0.68	142.04	300.0	0.0	-0.1	1.0	0.52	1.0	95.24
400.0	1.40	123.60	400.0	1.0	-1.2	2.4	0.78	2.7	117.09
500.0	2.20	137.60	499.9	2.9	-3.3	4.7	0.91	5.8	125.14
600.0	1.49	159.70	599.9	5.3	-6.0	6.5	0.99	8.8	132.66
700.0	1.81	164.78	699.8	8.0	-8.7	7.3	0.34	11.4	139.87
800.0	1.78	171.57	799.8	11.0	-11.8	8.0	0.21	14.2	145.84
900.0	1.61	174.60	899.7	13.9	-14.7	8.4	0.19	16.9	150.42
1000.0	1.49	173.99	999.7	16.5	-17.4	8.6	0.12	19.4	153.66
1100.0	1.04	169.75	1099.7	18.7	-19.6	8.9	0.45	21.5	155.53
1200.0	0.66	181.34	1199.7	20.1	-21.1	9.1	0.42	22.9	156.72
1300.0	0.72	181.05	1299.7	21.3	-22.3	9.0	0.06	24.0	157.91
1400.0	0.58	187.01	1399.7	22.5	-23.4	9.0	0.15	25.1	159.04
1500.0	0.50	182.15	1499.7	23.4	-24.3	8.9	0.09	25.9	159.94
1600.0	0.33	195.26	1599.6	24.1	-25.1	8.8	0.19	26.6	160.66
1700.0	0.43	211.88	1699.6	24.7	-25.7	8.5	0.15	27.0	161.62
1800.0	0.44	194.75	1799.6	25.4	-26.3	8.2	0.13	27.6	162.65
1900.0	0.40	200.15	1899.6	26.2	-27.0	8.0	0.06	28.2	163.50
2000.0	0.99	196.76	1999.6	27.4	-28.2	7.6	0.60	29.2	164.84
2100.0	0.12	309.83	2099.6	28.1	-29.0	7.3	1.05	29.9	165.84
2200.0	0.38	249.62	2199.6	28.2	-29.0	6.9	0.34	29.8	166.60
2300.0	0.28	260.10	2299.6	28.4	-29.2	6.4	0.11	29.9	167.70
2400.0	0.34	299.13	2399.6	28.4	-29.1	5.9	0.21	29.6	168.60
2500.0	0.48	261.29	2499.6	28.4	-29.0	5.2	0.30	29.4	169.85
2600.0	0.50	265.22	2599.6	28.5	-29.1	4.3	0.04	29.4	171.51
2700.0	0.54	275.16	2699.6	28.6	-29.1	3.4	0.10	29.3	173.26
2800.0	0.52	264.88	2799.6	28.7	-29.1	2.5	0.10	29.2	175.05
2900.0	0.69	273.13	2899.6	28.8	-29.1	1.5	0.19	29.1	177.12
3000.0	0.67	277.45	2999.6	28.8	-29.0	0.3	0.05	29.0	179.44
3100.0	0.59	272.06	3099.6	28.8	-28.9	-0.8	0.10	28.9	181.61
3200.0	0.67	266.76	3199.6	28.9	-28.9	-1.9	0.10	29.0	183.78
3264.0	0.82	270.79	3263.6	29.0	-28.9	-2.7	0.25	29.0	185.42



Scientific
Drilling

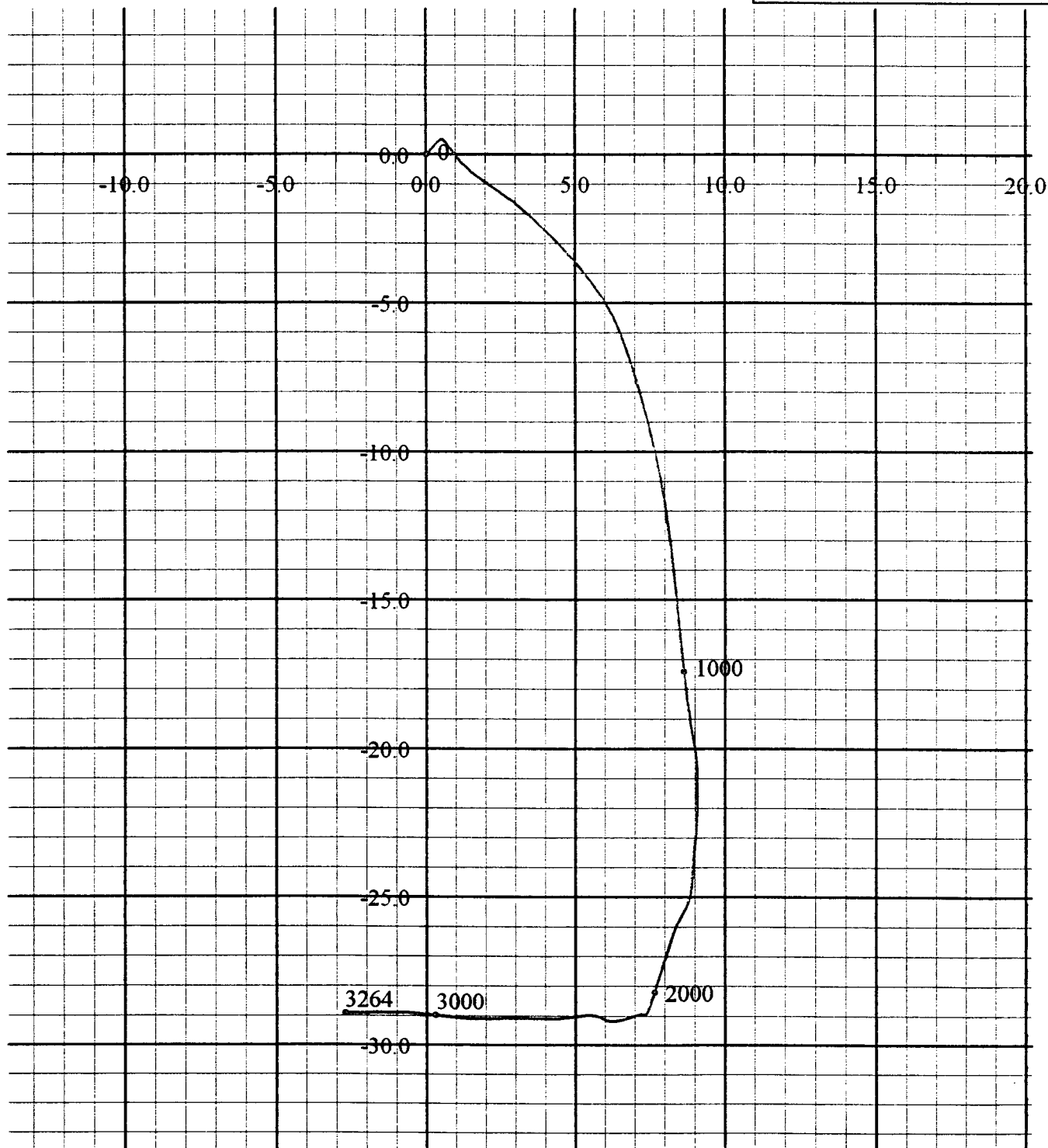
Field: Unknown
Site: Eddy County, NM
Well: Arley BBE Federal #1
Wellpath: VH - Job #32K0503243
Survey: 05/20/03



Azimuths to True North
Magnetic North: 0.00°

Magnetic Field
Strength: 0nT
Dip Angle: 0.00°
Date: 7/13/2003
Model: WMM_95

South(-)/North(+) [5ft/in]



West(-)/East(+) [5ft/in]

Computalog Drilling Services

Client : Yates Petroleum Corp.
Well Name : Arley Federal #1
Location : Eddy County, NM

Page : 1 of 3
Date : 6/24/03
File : 50-731

Referenced to True North
Vertical Section Azimuth 242.21°

MD ft	Inc deg	Azi deg	TVD ft	+N/-S ft	+E/-W ft	V'Sect ft	D'Leg °/100
Tie-in Survey							
3264.00	0.82	270.79	3263.58	-28.91	-2.74	15.90	0.00
3312.00	2.60	262.00	3311.56	-29.06	-4.16	17.23	3.74
3344.00	2.90	245.60	3343.52	-29.49	-5.62	18.72	2.62
3375.00	3.60	241.10	3374.47	-30.29	-7.18	20.48	2.40
3439.00	5.00	238.50	3438.29	-32.71	-11.32	25.27	2.21
3503.00	5.40	248.40	3502.03	-35.28	-16.50	31.05	1.53
3566.00	6.40	248.60	3564.69	-37.65	-22.52	37.48	1.59
3630.00	8.20	248.90	3628.17	-40.60	-30.10	45.56	2.81
3696.00	9.00	242.40	3693.43	-44.68	-39.07	55.40	1.91
3757.00	10.70	243.30	3753.53	-49.44	-48.36	65.83	2.80
3820.00	12.50	245.20	3815.24	-54.93	-59.77	78.49	2.92
3883.00	13.50	246.10	3876.62	-60.77	-72.69	92.63	1.62
3947.00	15.10	245.30	3938.64	-67.28	-87.09	108.41	2.52
4010.00	16.30	246.20	3999.29	-74.27	-102.64	125.43	1.94
4074.00	17.50	247.20	4060.52	-81.63	-119.72	143.97	1.93
4137.00	18.60	246.70	4120.42	-89.27	-137.68	163.43	1.76
4200.00	20.10	246.90	4179.86	-97.49	-156.87	184.23	2.38
4262.00	21.10	244.80	4237.90	-106.43	-176.77	206.00	2.01
4326.00	22.20	244.20	4297.38	-116.59	-198.08	229.59	1.75
4389.00	23.30	245.20	4355.48	-127.00	-220.11	253.93	1.85
4453.00	23.10	244.40	4414.30	-137.73	-242.92	279.12	0.58
4516.00	22.50	243.10	4472.38	-148.53	-264.81	303.52	1.24
4580.00	23.60	242.70	4531.27	-159.95	-287.12	328.58	1.74
4643.00	23.30	243.50	4589.07	-171.29	-309.48	353.64	0.69
4707.00	23.20	242.30	4647.87	-182.80	-331.97	378.90	0.76
4771.00	22.90	241.80	4706.76	-194.54	-354.10	403.96	0.56
4834.00	22.10	239.50	4764.97	-206.35	-375.12	428.06	1.89
4898.00	22.40	240.40	4824.20	-218.48	-396.09	452.27	0.71
4961.00	22.70	241.70	4882.38	-230.17	-417.23	476.42	0.92
5023.00	21.50	241.70	4939.83	-241.23	-437.77	499.75	1.94
5086.00	21.50	241.60	4998.44	-252.20	-458.09	522.84	0.06

Computalog Drilling Services

Client : Yates Petroleum Corp.
Well Name : Arley Federal #1
Location : Eddy County, NM

Page : 2 of 3
Date : 6/24/03
File : 50-731

Referenced to True North
Vertical Section Azimuth 242.21°

MD ft	Inc deg	Azi deg	TVD ft	+N/-S ft	+E/-W ft	V'Sect ft	D'Leg °/100
5150.00	22.40	242.40	5057.80	-263.42	-479.21	546.76	1.48
5214.00	23.10	242.90	5116.82	-274.79	-501.20	571.51	1.13
5278.00	22.30	242.90	5175.87	-286.04	-523.18	596.20	1.25
5341.00	22.60	241.60	5234.09	-297.25	-544.47	620.26	0.92
5405.00	23.20	241.90	5293.05	-309.03	-566.41	645.16	0.96
5468.00	23.00	240.90	5351.00	-320.86	-588.11	669.88	0.70
5531.00	22.30	239.40	5409.14	-332.94	-609.16	694.12	1.44
5595.00	22.00	241.70	5468.42	-344.80	-630.16	718.24	1.43
5658.00	22.70	243.30	5526.68	-355.86	-651.41	742.19	1.47
5721.00	21.90	243.40	5584.97	-366.58	-672.78	766.09	1.27
5784.00	22.30	241.80	5643.34	-377.49	-693.82	789.79	1.15
5848.00	23.30	244.10	5702.34	-388.76	-715.91	814.59	2.09
5911.00	22.50	243.50	5760.38	-399.58	-737.90	839.09	1.32
5980.00	21.50	243.50	5824.35	-411.11	-761.03	864.93	1.45
6044.00	21.70	244.00	5883.86	-421.53	-782.16	888.48	0.42
6107.00	22.20	245.90	5942.29	-431.50	-803.50	912.00	1.38
6171.00	23.20	246.90	6001.33	-441.38	-826.13	936.63	1.67
6234.00	22.90	245.90	6059.30	-451.25	-848.73	961.23	0.78
6298.00	22.60	244.40	6118.33	-461.65	-871.19	985.95	1.02
6362.00	22.00	244.10	6177.54	-472.20	-893.07	1010.22	0.95
6425.00	21.80	244.60	6235.99	-482.37	-914.25	1033.70	0.43
6489.00	21.10	244.50	6295.56	-492.43	-935.38	1057.08	1.10
6552.00	19.90	243.40	6354.57	-502.11	-955.20	1079.13	2.00
6615.00	19.20	243.10	6413.94	-511.60	-974.03	1100.21	1.12
6679.00	17.80	243.00	6474.63	-520.80	-992.13	1120.52	2.19
6743.00	16.20	242.70	6535.83	-529.34	-1008.78	1139.23	2.50
6806.00	15.70	244.30	6596.40	-537.07	-1024.27	1156.53	1.06
6869.00	14.30	239.80	6657.26	-544.68	-1038.68	1172.83	2.89
6960.00	13.90	245.20	6745.52	-554.92	-1058.31	1194.97	1.51
7023.00	12.30	244.00	6806.88	-561.03	-1071.22	1209.24	2.58
7087.00	10.40	250.50	6869.63	-565.95	-1082.79	1221.77	3.57
7119.00	10.00	248.50	6901.12	-567.93	-1088.10	1227.39	1.67
7150.00	8.60	253.80	6931.71	-569.57	-1092.83	1232.33	5.29

Computalog Drilling Services

Client : Yates Petroleum Corp.
Well Name : Arley Federal #1
Location : Eddy County, NM

Page : 3 of 3
Date : 6/24/03
File : 50-731

Referenced to True North
Vertical Section Azimuth 242.21°

MD ft	Inc deg	Azi deg	TVD ft	+N/-S ft	+E/-W ft	V'Sect ft	D'Leg °/100
7214.00	8.80	247.30	6994.98	-572.79	-1101.94	1241.90	1.57
7277.00	9.50	241.40	7057.18	-577.14	-1110.95	1251.90	1.86
7310.00	9.00	239.20	7089.75	-579.76	-1115.56	1257.20	1.86
7391.00	10.30	245.60	7169.60	-586.00	-1127.60	1270.75	2.08
7454.00	9.40	247.60	7231.67	-590.29	-1137.48	1281.50	1.53
7517.00	8.70	249.80	7293.89	-593.89	-1146.71	1291.34	1.24
7579.00	8.50	252.40	7355.19	-596.90	-1155.48	1300.50	0.71
7642.00	8.20	250.40	7417.52	-599.81	-1164.15	1309.53	0.66
7705.00	7.30	246.60	7479.95	-602.91	-1172.06	1317.97	1.64
7768.00	6.60	245.50	7542.49	-606.00	-1179.02	1325.57	1.13
7831.00	4.70	237.00	7605.18	-608.91	-1184.48	1331.76	3.29
7894.00	4.80	243.40	7667.96	-611.49	-1189.00	1336.97	0.86
7957.00	4.10	247.00	7730.77	-613.55	-1193.43	1341.85	1.20
Projection							
8528.00	4.10	247.00	8300.31	-629.51	-1231.01	1382.53	0.00

Bottom Hole Closure 1382.63' - 242.92°