

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTSEP 19 2008  
OCD-ARTESIAFORM APPROVED  
OMB NO 1004-0137  
Expires July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

<b>1a Type of Well</b> <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						<b>5 Lease Serial No</b> NM-14293			
<b>b Type of Completion:</b> <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff Resvr. Other: _____						<b>6 If Indian, Allottee or Tribe Name</b>			
<b>2 Name of Operator</b> Yates Petroleum Corporation						<b>7. Unit or CA Agreement Name and No.</b>			
<b>3 Address</b> 105 S. 4th Str., Artesia, NM 88210			<b>3a Phone No (include area code)</b> 575-748-1471			<b>8 Lease Name and Well No</b> Jervis AYB Federal #7			
<b>4 Location of Well (Report location clearly and in accordance with Federal requirements)*</b>  At Surface 1973'FNL & 1540'FEL (Unit G, SWNE)  At top prod Interval reported below  At total depth						<b>9 API Well No</b> 30-005-63927			
						<b>10 Field and Pool or Exploratory Survey or Area</b> Pecos Slope; Abo			
						<b>11 Sec., T,R,M., on Block and Survey or Area</b> Section 11-T8S-R26E			
						<b>12 County or Parish</b> Chaves	<b>13 State</b> New Mexico		
<b>14 Date Spudded</b> RH 6/2/08 RT 6/9/08		<b>15 Date T D Reached</b> 6/26/08		<b>16. Date Completed</b> <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 9/8/08		<b>17. Elevations (DF,RKB,RT,GL)*</b> 3832'GL 3844'KB			
<b>18 Total Depth. MD</b> 6100' TVD NA		<b>19. Plug Back T.D.. MD</b> 5000' TVD NA		<b>20. Depth Bridge Plug Set. MD</b> 5755' & 5000' TVD NA					
<b>21 Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)</b> CNL, Hi-Res Laterolog Array, Borehole Compensated Sonic, CBL				<b>22 Was Well cored?</b> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) <b>Was DST run?</b> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) <b>Directional Survey?</b> <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)					
<b>23 Casing and Liner Record (Report all strings set in well)</b>									
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"	16"	Cond.	Surface	40'		Redi-mix		Surface	
12-1/4"	9-5/8"	36#	Surface	1136'		950 sx		Surface	
8-3/4"	5-1/2"	15.5#	Surface	6100'		1550 sx		Surface	
<b>24 Tubing Record</b>									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-7/8"	4340'	4340'							
<b>25 Producing Intervals</b>					<b>26 Perforation Record</b>				
Formation		Top	Bottom		Perforated Interval	Size	No Holes	Perf Status	
A) Abo		4418'	4764'						
B)					SEE ATTACHED SHEET				
C)									
D)									
<b>27 Acid, Fracture, Treatment, Cement Squeeze, Etc</b>									
Depth Interval		Amount and Type of Material							
5828'-5846'		Acidized w/150g 20% IC HCL acid							
5406'-5420'		Acidized w/2000g 15% HCL acid							
5066'-5074'		Acidized w/2000g 15% IC HCL w/90 ball sealers							
4418'-4764'		2500g 7-1/2% IC HCL acid, Frac w/CO2 foam frac, 1643 bbls fluid, 114 tons CO2, 158,180# 16/30 Brady sand							
<b>28 Production - Interval A</b>									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
9/9/08	9/12/08	24	→	0	600	15	NA	NA	Flowing
Choke Size	Tbg. Press Flwg.	Csg Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
16/64"	345 psi	Packer	→	0	600	15	NA	Producing	
<b>28a Production-Interval B</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
				Seven Rivers	208'
				Queen	555'
				Penrose	658'
				Grayburg	810'
				San Andres	1024'
				Glorieta	2104'
				Yeso	2222'
				Tubb	3674'
				Abo	4372'
				Wolfcamp	5056'
				Wolfcamp B Zone	5151'
				Spear	5370'
				Cisco	5590'
				Strawn	5700'
				Silurian Ordovician	5826'
				Precambrian	5952'

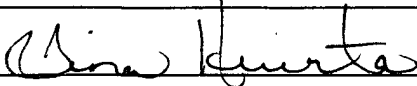
## 32 Additional remarks (include plugging procedure)

## 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 September 17, 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  
Jervis AYB Federal #7  
Section 11-T8S-R26E  
Chaves County, New Mexico  
Page 3

**Form 3160-4 continued:**

26. Perforation Record			
Perforated Interval	Size	No. Holes	Perf. Status
5828'-5830'		12	Under CIBP
5843'-5846'		16	Under CIBP
5406'-5420'		60	Under CIBP
5066'-5074'		60	Under CIBP
4418'-4430'		13	Producing
4632'-4644'		13	Producing
4654'-4662'		9	Producing
4670'-4680'		11	Producing
4737'-4745'		9	Producing
4762'-4764'		3	Producing

  
\_\_\_\_\_  
Regulatory Compliance Supervisor  
September 17, 2008

# TEACO DRILLING INC.

P O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

## INCLINATION REPORT

DATE: 6/30/2008

WELL NAME AND NUMBER JERVIS AYB FEDERAL #7  
LOCATION CHAVES COUNTY  
OPERATOR: YATES PETROLEUM CORP  
DRILLING CONTRACTOR: TEACO DRILLING INC

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
<u>1</u>	<u>396</u>	<u>1</u>	<u>3873</u>	<u>      </u>	<u>      </u>
<u>1.25</u>	<u>704</u>	<u>2.5</u>	<u>4382</u>	<u>      </u>	<u>      </u>
<u>1</u>	<u>1096</u>	<u>2</u>	<u>4471</u>	<u>      </u>	<u>      </u>
<u>1</u>	<u>1373</u>	<u>2</u>	<u>4726</u>	<u>      </u>	<u>      </u>
<u>1</u>	<u>1851</u>	<u>2.75</u>	<u>4852</u>	<u>      </u>	<u>      </u>
<u>1</u>	<u>2356</u>	<u>1.5</u>	<u>4980</u>	<u>      </u>	<u>      </u>
<u>1.75</u>	<u>2830</u>	<u>1.25</u>	<u>5231</u>	<u>      </u>	<u>      </u>
<u>1</u>	<u>3083</u>	<u>1.5</u>	<u>5482</u>	<u>      </u>	<u>      </u>
<u>0.75</u>	<u>3336</u>	<u>2.25</u>	<u>5768</u>	<u>      </u>	<u>      </u>
<u>1.25</u>	<u>3620</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>

DRILLING CONTRACTOR:  
TEACO DRILLING INCORPORATED

BY: Bob Wegner  
BOB WEGNER  
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 30 DAY OF June, 2008

MY COMMISSION EXPIRES:

08/01/11

James J. [Signature]