

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2004
Lease Serial No.

WELL COMPLETION OR RECOMPLETION REPORT

| | | | |
|---|--|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name | |
| b. Type of Completion: <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv., Other: RECOMPLETION | | 7. Unit or CA Agreement Name and No. | |
| 2. Name of Operator Yates Petroleum Corporation | | 8. Lease Name and Well No. Estellita AFO Federal Com #1 | |
| 3. Address 105 S. 4th Str., Artesia, NM 88210 | | 9. API Well No. 30-005-62630 | |
| 3a. Phone No. (include area code) 505-748-1471 | | 10. Field and Pool, or Exploratory Springer Basin Strawn | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface 1980'FNL & 660'FEL (Unit H, SENE) At top prod. Interval reported below Same as above At total depth Same as above | | 11. Sec., T., R., M., on Block and Survey or Area Section 15-T14S-R27E | |
| 14. Date Spudded RC 7/2/04 | | 15. Date T.D. Reached NA | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. | | 17. Elevations (DF, RKB, RT, GL)* 3461'GL | |
| 18. Total Depth: MD 8020' TVD NA | | 19. Plug Back T.D.: MD 7954' TVD NA | |
| 20. Depth Bridge Plug Set: MD NA TVD NA | | | |

| | |
|--|--|
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) NA | 22. Was Well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 |
| REFER TO ORIGINAL COMPLETION | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

| 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" | 7146' | 7146' | | | | | | | |
| 25. Producing Intervals | | | | | | | | | |
| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status | | | |
| A) Strawn | 7442' | 7548' | 7442'-7456' | 4 SPF | 56 | Producing | | | |
| B) Morrow | 7649' | 7721' | 7460'-7466' | 4 SPF | 24 | Producing | | | |
| C) | | | 7488'-7494' | 4 SPF | 24 | Producing | | | |
| D) | | | 7528'-7532' | 4 SPF | 16 | Producing | | | |
| E) | | | 7542'-7548' | 4 SPF | 24 | Producing | | | |

| 27. Acid, Fracture, Treatment, Cement Squeeze, Etc. | |
|---|--|
| Depth Interval | Amount and Type of Material |
| 7442'-7548' | Acidize w/2800g 7-1/2% Morrow acid and 1000 SCF/bbl N2 |
| | |
| | |

| 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 |
| 7/11/04 | 7/13/04 | 24 | ⇒ | 0 | 286 | 0 | NA | NA | Flowing |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. Packer | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |
| 11/64" | 670 psi | | ⇒ | 0 | 286 | 0 | 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. Packer | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |
| | | | ⇒ | | | | | | |

ACCEPTED FOR RECORD
JUL 19 2004
ARMANDO A. LOPEZ
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.)

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 |
| | | | | REFER TO ORIGINAL COMPLETION | |

32. Additional remarks (include plugging procedure):

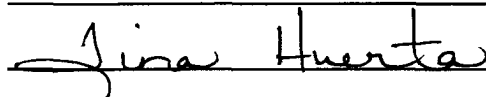
33. Circle enclosed attachments:

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:

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 13, 2004

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.