

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.

N.M. DIV-Dist. 2

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | | | | | |
|---|--|--|---------------------------------|------------------------------------|---|---|-------------------------------|
| 1a. Type of Well | <input type="checkbox"/> Oil Well | <input checked="" type="checkbox"/> Gas Well | <input type="checkbox"/> Dry | <input type="checkbox"/> Other | 1301 W. Grand Ave. Artesia, NM 88210 | 5. Lease Serial No. | NM-31099 |
| b. Type of Completion: | <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., | 6. If Indian, Allottee or Tribe Name | |
| Other: | | | | | | 7. Unit or CA Agreement Name and No. | |
| 2. Name of Operator Yates Petroleum Corporation | | | | | | 8. Lease Name and Well No. | Horn YG Federal Com #4 |
| 3. Address 105 S. 4th Str., Artesia, NM 88210 | | | | | | 9. API Well No. | 30-005-63680 |
| 3a. Phone No. (include area code) 505-748-1471 | | | | | | 10. Field and Pool, or Exploratory | Foor Ranch Pre-Permian, North |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements) | | | | | | 11. Sec., T., R., M., on Block and Survey or Area | Section 7-T8S-R26E |
| At Surface 1750'FSL & 660'FEL (Unit I, NESE) | | | | | | 12. County or Parish | Chaves |
| At top prod. Interval reported below Same as above | | | | | | 13. State | New Mexico |
| At total depth Same as above | | | | | | | |

| | | | |
|---|--|--|--|
| 14. Date Spudded RH 1/14/05 RT 1/17/05 | 15. Date T.D. Reached 2/2/05 | 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 4/24/05 | 17. Elevations (DF, RKB, RT, GL)* 3653'GL 3670'KB |
| 18. Total Depth: MD 5860' TVD NA | 19. Plug Back T.D.: MD 5800' TVD NA | 20. Depth Composite Plug Set: MD 5800' TVD NA | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CNL, Hi-Res Laterolog Array, Borehole Compensated Sonic, CBL | | 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 Skis & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 12-1/4" | 20" | Cond | Surface | 40' | | | | Surface | |
| 8-5/8" | 24# | 24# | Surface | 1024' | | 700 sx | | Surface | |
| 7-7/8" | 5-1/2" | 15.5# | Surface | 5860' | | 950 sx | | Surface | |
| | | | | | | | | | |
| | | | | | | | | | |

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" | 5133' | 5133' | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | 26. Perforation Record |
|-------------|-------|--------|---|
| A) Silurian | 5710' | 5754' | Perforated Interval Size No. Holes Perf. Status |
| B) Strawn | 5362' | 5542' | SEE ATTACHED SHEET |
| C) | | | |
| D) | | | |

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

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 5710'-5754' | Acidize w/250g 20% IC acid, re-acidize w/3200g 20% IC acid and 125 balls |
| 5362'-5542' | Acidize w/2000g 7-1/2% IC acid and 192 ball sealers |
| 5362'-5754' | Frac w/40# Medallion binary frac w/778 bbls fluid, 151 tons CO2, 3800# 100 mesh, 155100# 20/40 White 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 |
|----------------------------|-------------------|--------------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 4/25/05 | 3/18/05 | 24 | ⇒ | 0 | 214 | 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 | |
| 3/8" | 50 psi | | ⇒ | 0 | 214 | 0 | NA | | |
| 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 | |
| | | | ⇒ | | | | | | |

ACCEPTED FOR RECORD
FlowingJUL 12 2005
ProducingARMANDO 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 |
| | | | | Queen | 180' |
| | | | | Penrose | 258' |
| | | | | Grayburg | 402' |
| | | | | San Andres | 622' |
| | | | | Glorieta | 1638' |
| | | | | Yeso | 1759' |
| | | | | Tubb | 3222' |
| | | | | Abo | 3933' |
| | | | | Wolfcamp | 4619' |
| | | | | Wolfcamp B Zone | 4704' |
| | | | | Spear | 4958' |
| | | | | Cisco | 5206' |
| | | | | Strawn | 5326' |
| | | | | Mississippian | 5564' |
| | | | | Siluro-Devonian | 5690' |
| | | | | Precambrian | 5786' |


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 June 30, 2005

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
Horn YG Federal Com #4
Section 7-T8S-R26E
Chaves County, New Mexico

Form 3160-4 continued:

26. Perforation Record

| Perforated Interval | Size | No. Holes | Perf Status |
|---------------------|------|-----------|-------------|
| 5710'-5714' | | 10 | Producing |
| 5718'-5728' | | 22 | Producing |
| 5732'-5738' | | 14 | Producing |
| 5740'-5748' | | 18 | Producing |
| 5750'-5754' | | 10 | Producing |
| 5362'-5376' | | 56 | Producing |
| 5448'-5454' | | 14 | Producing |
| 5508'-5516' | | 18 | Producing |
| 5532'-5542' | | 40 | Producing |