

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 2607-0137
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		5. Lease Serial No. NM 003946
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., Other:		6. If Indian Allottee or Tribe Name
2. Name of Operator Yates Petroleum Corporation		7. Unit or CA Agreement Name and No.
3. Address 105 S. 4th Str., Artesia, NM 88210		8. Lease Name and Well No. Koonunga Hill BSA Federal #1
3a. Phone No. (include area code) 505-748-1471		9. API Well No. 30-015-34380 SI
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface 1838'FNL & 1072'FWL (Unit E, SWNW) At top prod. Interval reported below Same as above At total depth 1079'FNL & 757'FWL (Unit D, NWNW)		10. Field and Pool, or Exploratory McKittrick Canyon; Upper Penn 11. Sec., T., R., M., on Block and Survey or Area Section 19-T22S-R25E 12. County or Parish Eddy 13. State New Mexico

14. Date Spudded RH 12/11/05 RT 12/14/05	15. Date T.D. Reached 2/12/06	16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 6/1/06	17. Elevations (DF, RKB, RT, GL)* 3870'GL 3888'KB
18. Total Depth: MD 10,930' TVD NA	19. Plug Back T.D.: MD 8906' TVD NA	20. 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?	<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
26"	20"	Conductor	Surface	58'				Surface	
17-1/2"	13-3/8"	48#	Surface	1507'		2260 sx		Surface	
12-1/4"	9-5/8"	36#	Surface	2724'		970 sx		Surface	
8-3/4"	7"	26#	Surface	8950'		1350 sx		8160' CBL	
6-1/8"	4-1/2"	Liner	8570'	10,927'		235 sx		TOL	

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"	8260'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Canyon	8132'	8152'	8132'-8152'	42"	21	Producing
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
8132'-8152'	Acidize w/30,000g gelled 20% IC HCL

AUG - 3 2006
ALEXIS C. SWOBCA
PETROLEUM ENGINEER

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
6/1/06	6/15/06	24	⇒	0	3369	1873	NA	NA	Pumping
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
NA	450 psi	125 psi	⇒	0	3369	1873	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	
			⇒						

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
				Capitan Reef	779'
				Cherry Canyon	1707'
				Brushy Canyon	2719'
				Bone Spring	4220'
				1st Bone Spring	4472'
				2nd Bone Spring	5489'
				3rd Bone Spring	7473'
				Wolfcamp	7702'
				Upper Penn	8049'
				Strawn	9438'
				Atoka	9947'
				Morrow	10,303'

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

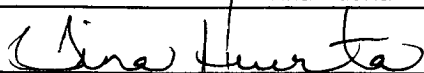
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature



Date July 28, 2006

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.