

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

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 2543'FNL & 947'FWL (Unit E, SWNW)

At top prod. Interval reported below

Same as above

BHL 1951'FNL & 740'FWL (Unit E, SWNW)

14. Date Spudded
RH 5/14/07 RT 5/17/07

15. Date T.D. Reached
7/6/07

16. Date Completed 8/24/07
☐ D & A ☒ Ready to Prod

18. Total Depth: MD 10,490'
TVD NA

19. Plug Back T.D.: MD 10,310'
TVD NA

20. Depth Bridge Plug Set: MD 10,310'
TVD NA

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CNL, Hi-Res Laterolog Array, CBL

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
26"	20"	Cond.	Surface	40'		Redi-mix		Surface	
14-3/4"	9-5/8"	36#	Surface	1665'		1785 sx		Surface	
8-3/4"	7"	26#	Surface	8798'		350 sx		6630'Est.	
6-1/8"	4-1/2"	11.6#	8580'	10,488'		175 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)
2-3/8"	10,015'	10,015'						

25. Producing Intervals

Formation	Top	Bottom
A) Morrow	10,132'	10,224'
B)		
C)		
D)		

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf Status
SEE ATTACHED SHEET			

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

Depth Interval	Amount and Type of Material
10,332'-10,336'	Acidize w/750g 7-1/2% HCL MSA w/35 ball sealers
10,132'-10,224'	Acidize w/2000g 7-1/2% HCL MSA w/260 ball sealers

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
8/25/07	9/9/07	24	→	1	416	6	NA	NA	Flowing
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
NA	300 psi	700 psi	→	1	416	6	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	
			→						

*(See instructions and spaces for additional data on page 2)

S

SEP 24 2007
OCD-ARTESIA

ACCEPTED FOR RECORD

SEP 18 2007

JERRY FANT
PETROLEUM GEOLOGIST

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
Bone Spring				Bone Spring	3293'
Wolfcamp				Wolfcamp	7103'
Cisco-Canyon				Cisco-Canyon	8246'
Strawn				Strawn	8994'
Atoka				Atoka	9599'
Morrow				Morrow	10,044'

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

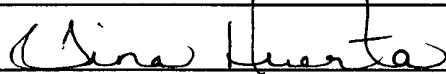
34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print)

Tina Huerta

Title Regulatory Compliance Supervisor

Signature



Date September 13, 2007

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.

(Continued on page 3)

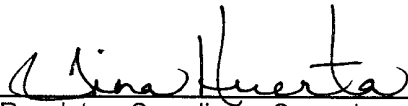
(Form 3160-4, page2)

Yates Petroleum Corporation
Shafer BHS Federal Com #1
Section 26-T21S-R24E
Eddy County, New Mexico
Page 3

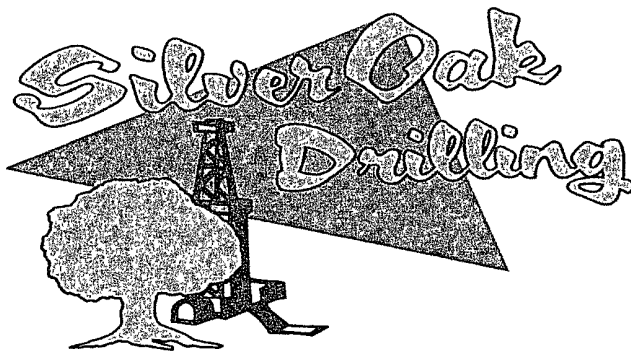
Form 3160-4 continued:

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
10,332'-10,336'		30	Under CIBP
10,132'-10,142'		66	Producing
10,164'-10,174'		66	Producing
10,180'-10,190'		66	Producing
10,194'-10,200'		42	Producing
10,221'-10,224'		24	Producing



Regulatory Compliance Supervisor
September 13, 2007



PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288

July 13, 2007

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88211-1395

RE: Shafer BHS Federal Com #1
2543' FNL & 947' FWL
Sec. 26, T21S, R24E
Eddy County, New Mexico

Dear Sir,

The attached is the Deviation Survey for the above captioned well.

Very truly yours,

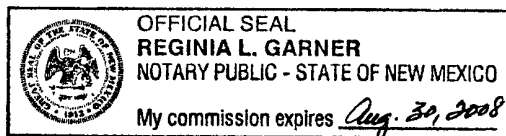
A handwritten signature in dark ink, appearing to read "Eddie C. LaRue".

Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 13th day of July, 2007.

Notary Public



Pason DataHub Deviation Survey 2007/07/13 09:18:42

Well Dossier 1178976716 - Shafer BHS FED COM #1 EDITED

#	Date	Depth	Dev	Direction	TVD
05/18/2007	175.00	0.75	0.00		215.00
05/19/2007	452.00	0.75	0.00		492.00
05/19/2007	699.00	0.75	0.00		739.00
05/20/2007	849.00	0.75	0.00		894.00
05/20/2007	1103.00	0.75	0.00		1143.00
05/20/2007	1352.00	0.75	0.00		1392.00
05/21/2007	1641.00	0.75	0.00		
05/25/2007	1735.00	0.75	0.00		1775.00
05/31/2007	2081.00	1.00	0.00		2059.00
06/01/2007	2356.00	0.75	0.00		2397.00
06/01/2007	2606.00	1.00	0.00		2646.00
06/01/2007	2856.00	2.00	0.00		
06/01/2007	2949.00	2.00	0.00		
06/01/2007	3074.00	2.00	0.00		
06/02/2007	3226.00	2.00	0.00		3269.00
06/02/2007	3354.00	2.00	0.00		3394.00
06/03/2007	3476.00	2.00	0.00		3518.00
06/03/2007	3601.00	1.75	0.00		3643.00
06/06/2007	3763.00	2.00	0.00		3803.00
06/06/2007	3887.00	2.00	0.00		3927.00
06/09/2007	4165.00	1.80	180.73		4221.00
06/09/2007	4196.00	1.88	182.98		
06/09/2007	4229.00	1.56	197.73		
06/09/2007	4261.00	1.44	230.73		
06/10/2007	4292.0	1.94	272.85		4347.00
06/10/2007	4323.00	2.81	299.98		4378.00
06/10/2007	4354.00	3.74	310.35		4409.00
06/10/2007	4385.00	4.75	313.10		4440.00
06/10/2007	4416.00	5.88	316.85		4466.00
06/10/2007	4447.00	6.89	321.10		
06/10/2007	4478.00	7.00	323.85		
06/11/2007	4510.00	7.31	327.98		4562.00
06/11/2007	4541.00	6.69	331.10		4593.00
06/11/2007	4572.00	6.00	335.65		4624.00
06/11/2007	4603.00	5.19	340.35		4653.00
06/11/2007	4634.00	5.19	347.48		4684.00
06/11/2007	4665.00	5.50	352.85		4715.00
06/11/2007	4696.00	6.44	350.35		4746.00
06/11/2007	4727.00	7.44	345.85		
06/11/2007	4759.00	8.31	342.60		
06/11/2007	4790.00	9.38	337.98		
06/11/2007	4821.00	10.19	337.10		
06/11/2007	4852.00	11.69	337.85		
06/12/2007	4883.00	12.38	338.48		4936.00
06/12/2007	4914.00	13.00	340.73		4967.00
06/12/2007	4946.00	13.56	342.98		4998.00
06/12/2007	4977.00	14.19	344.23		5030.00
06/12/2007	5008.00	14.94	344.98		5060.00
06/12/2007	5039.00	15.94	345.35		5092.00
06/12/2007	5070.00	16.69	345.23		5123.00
06/12/2007	5133.00	16.81	342.98		5186.00
06/12/2007	5227.00	16.94	340.10		5279.00
06/12/2007	5319.00	16.59	339.73		
06/13/2007	5413.00	16.81	342.60		
06/13/2007	5506.00	17.19	344.23		
06/13/2007	5568.00	15.94	343.35		5621.00
06/13/2007	5599.00	15.13	343.10		5652.00
06/13/2007	5662.00	15.19	340.48		5713.00
06/13/2007	5692.00	16.56	339.73		5745.00
06/13/2007	5755.00	18.06	342.10		5808.00
06/13/2007	5786.00	18.19	341.35		5838.00
06/13/2007	5848.00	15.63	339.60		
06/13/2007	5879.00	14.31	337.85		
06/14/2007	5973.00	13.69	335.60		
06/14/2007	6160.00	13.88	339.10		6213.00
06/14/2007	6222.00	10.50	332.23		

Shafer BHS Fed Com #1.txt

06/14/2007	6254.00	10.25	335.73	
06/15/2007	6316.00	11.63	399.35	6369.00
06/15/2007	6347.00	12.13	341.10	6400.00
06/15/2007	6379.00	13.25	343.60	6431.00
06/15/2007	6393.00	13.63	345.48	6448.00
06/15/2007	6409.00	14.06	346.73	6462.00
06/15/2007	6440.00	14.31	345.00	6493.00
06/15/2007	6472.00	14.25	346.85	6524.00
06/17/2007	6503.00	13.44	343.73	6556.00
06/17/2007	6534.00	13.25	341.73	6587.00
06/17/2007	6628.00	13.44	339.98	
06/17/2007	6721.00	14.13	346.73	
06/18/2007	6752.00	14.50	349.60	6805.00
06/18/2007	6783.00	15.19	350.98	6836.00
06/18/2007	6814.00	15.00	351.98	6867.00
06/18/2007	6845.00	14.56	352.35	6898.00
06/18/2007	6876.00	14.13	352.60	6929.00
06/18/2007	6908.00	13.81	352.98	
06/18/2007	6939.00	14.63	353.35	
06/18/2007	7000.00	14.75	351.10	
06/18/2007	7094.00	11.38	347.73	
06/18/2007	7187.00	7.94	339.60	
06/19/2007	7280.00	6.31	336.10	
06/20/2007	7373.00	6.56	350.10	7426.00
06/18/2007	6845.00	14.56	352.35	6898.00
06/20/2007	7436.00	5.50	353.23	7489.00
06/20/2007	7467.00	4.94	357.10	7520.00
06/20/2007	7490.00	4.13	358.10	7551.00
06/20/2007	7529.00	3.56	385.10	7582.00
06/20/2007	7560.00	2.75	345.60	
06/21/2007	7686.00	2.00		
06/22/2007	7936.00	1.25		8014.00
06/23/2007	8396.00	0.50		8450.00
06/28/2007	8941.00	0.90		
06/29/2007	9057.00	0.30		
06/29/2007	9209.00	0.90		9240.00
06/29/2007	9314.00	0.70		
06/30/2007	9435.00	0.20		
07/01/2007	9598.00	0.20		9611.00
07/02/2007	9781.00	0.75		
07/05/2007	10270.00	0.75		
07/06/2007	10443.00	0.75		10490.00
# EOF				

Tim Bussell

From: Malcore, Eric C. [Eric.Malcore@weatherford.com]
Sent: Thursday, July 19, 2007 8:04 AM
To: Tim Bussell
Subject: FW: Shafer 1 BHL

Regards,

Eric Malcore
DD Coordinator - Weatherford Midland
432-561-8892 - Office
281-787-8267 - Mobile
eric.malcore@weatherford.com

From: Perez, Jose
Sent: Thursday, July 19, 2007 8:58 AM
To: Malcore, Eric C.
Subject: RE: Shafer 1 BHL

Eric,

Using their files I calculate it to be
1951.3' FNL
740.22' FWL

Pretty close to Tim's numbers

Jose A Perez

From: Malcore, Eric C.
Sent: Thursday, July 19, 2007 8:21 AM
To: Perez, Jose
Subject: FW: Shafer 1 BHL

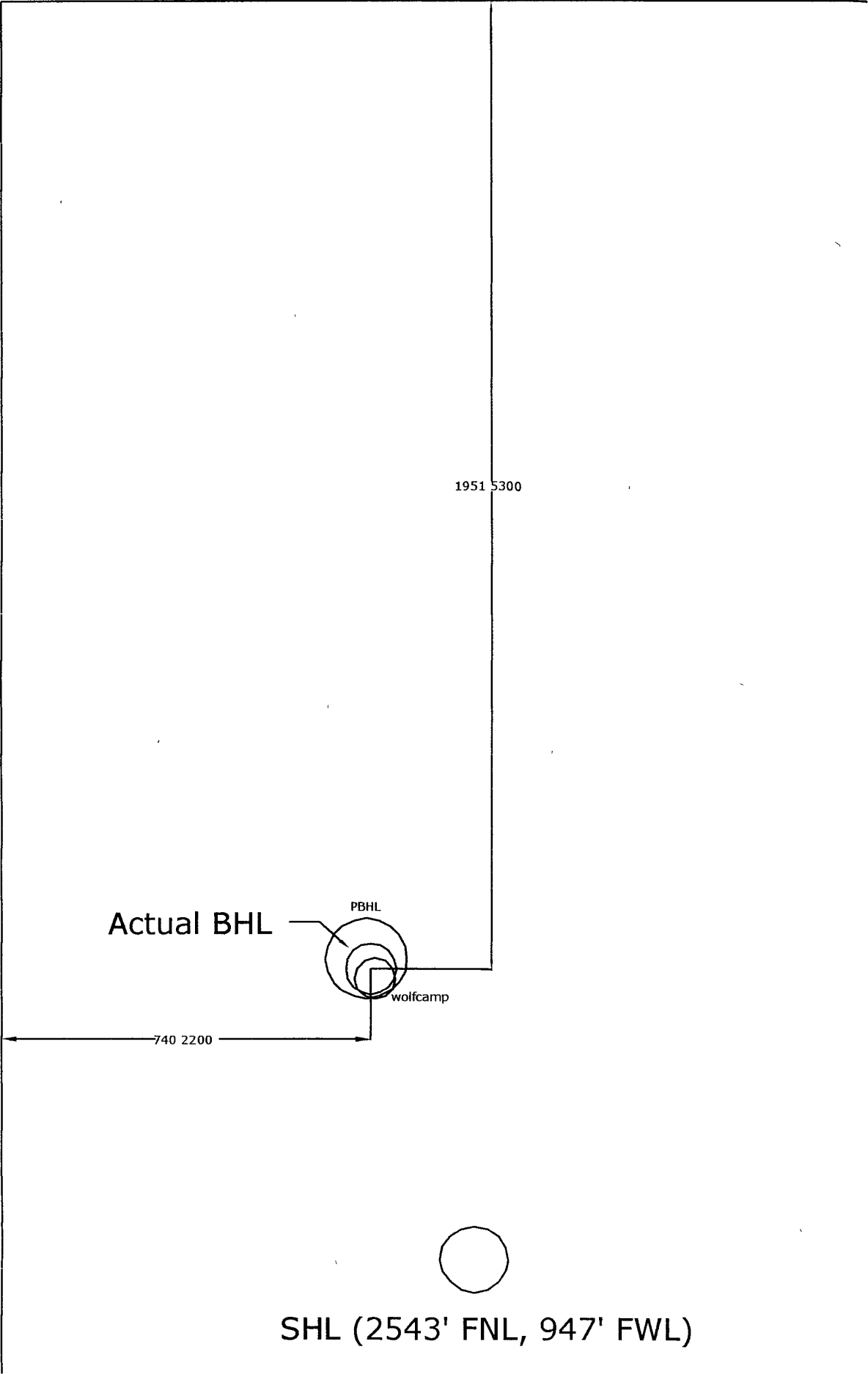
Regards,

Eric Malcore
DD Coordinator - Weatherford Midland
432-561-8892 - Office
281-787-8267 - Mobile
eric.malcore@weatherford.com

From: Tim Bussell [mailto:tbussell@YPCNM.COM]
Sent: Thursday, July 19, 2007 8:20 AM
To: Malcore, Eric C.
Subject: Shafer 1 BHL

Hi Eric,
Will you confirm BHL on the Shafer #1?
I calculate it @ 1951.53' FNL & 740.22' FWL
S26 T21S R24E
Thank You,
Tim

7/19/2007



Yates Petro Shafer BHS Fed Com #1 MWD Surveys
Weatherford Drilling Services

Client : Yates Petroleum Corp
Well Name : Shafer BHS Fed. Com. # 1
Location : Eddy Co., New Mexico
KB Elevation : 3937
License :

Page : 1 of 1
Date : 6/21/2007
File :
Gr Elevation : 3919.00

UWI :

Vertical Section Calculated Along Azimuth 340.51°

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.47	132.41	200.00	-0.55	0.61	-0.72	0.23
400.00	0.58	167.40	399.99	-2.09	1.43	-2.45	0.17
600.00	0.32	246.06	599.99	-3.31	1.14	-3.50	0.30
800.00	0.57	208.40	799.98	-4.41	0.16	-4.21	0.19
1000.00	0.67	204.49	999.97	-6.35	-0.80	-5.72	0.05
1200.00	0.52	302.20	1199.96	-6.93	-2.05	-5.85	0.45
1400.00	0.80	263.15	1399.95	-6.61	-4.21	-4.83	0.26
1600.00	1.08	284.72	1599.92	-6.30	-7.42	-3.47	0.22
1700.00	1.00	293.18	1699.91	-5.72	-9.13	-2.34	0.17
1800.00	0.74	295.44	1799.89	-5.10	-10.51	-1.30	0.26
1900.00	0.38	358.41	1899.89	-4.49	-11.11	-0.52	0.66
2000.00	0.15	61.56	1999.89	-4.09	-11.00	-0.19	0.34
2100.00	0.17	66.23	2099.89	-3.97	-10.75	-0.16	0.02
2200.00	0.10	95.25	2199.89	-3.92	-10.53	-0.18	0.10
2300.00	0.16	137.45	2299.89	-4.03	-10.35	-0.35	0.11
2400.00	0.66	165.39	2399.88	-4.69	-10.11	-1.05	0.52
2500.00	1.15	165.44	2499.87	-6.22	-9.71	-2.62	0.49
2600.00	1.40	166.47	2599.85	-8.38	-9.17	-4.84	0.25
2700.00	1.66	171.94	2699.81	-11.00	-8.68	-7.47	0.30
2900.00	1.74	174.14	2899.72	-16.89	-7.97	-13.26	0.05
3000.00	1.85	162.88	2999.67	-19.94	-7.34	-16.35	0.37
3100.00	1.93	161.07	3099.62	-23.08	-6.31	-19.65	0.10
3200.00	1.10	163.28	3199.58	-25.59	-5.49	-22.29	0.83
3300.00	1.91	161.66	3299.55	-28.09	-4.69	-24.92	0.81
3400.00	1.94	156.53	3399.49	-31.23	-3.49	-28.27	0.17
3500.00	1.88	156.60	3499.44	-34.28	-2.17	-31.60	0.06
3600.00	1.51	153.83	3599.39	-36.97	-0.93	-34.54	0.38
3700.00	1.63	153.61	3699.36	-39.43	0.28	-37.26	0.12
3800.00	1.94	153.61	3799.31	-42.22	1.66	-40.35	0.31
3900.00	2.00	157.86	3899.25	-45.35	3.07	-43.78	0.16
4000.00	2.04	166.87	3999.19	-48.70	4.14	-47.29	0.32
4100.00	1.94	175.24	4099.13	-52.12	4.68	-50.70	0.31
4180.00	2.02	178.34	4179.08	-54.88	4.83	-53.35	0.17
4196.00	1.88	182.98	4195.07	-55.42	4.83	-53.86	1.22

		Yates	Petro	Shafer	BHS	Fed Com	#1 MWD	Surveys
5133.00	16.81	342.98	5118.92	64.92	-44.52	76.05	1.05	
5227.00	16.94	340.10	5208.88	90.79	-53.16	103.32	0.90	
5319.00	16.56	339.73	5296.98	115.69	-62.26	129.84	0.43	
5413.00	16.81	342.60	5387.02	141.23	-70.97	156.82	0.92	
5506.00	17.19	344.23	5475.96	167.29	-78.72	183.97	0.66	
5599.00	15.13	343.10	5565.28	192.13	-85.99	209.81	2.24	
5693.00	15.88	340.35	5655.86	215.98	-93.88	234.92	1.12	
5786.00	18.19	341.35	5744.77	241.72	-102.80	262.17	2.50	
5879.00	14.31	337.85	5834.04	266.13	-111.78	288.17	4.30	
5973.00	13.69	335.60	5925.25	287.02	-120.76	310.86	0.88	
6066.00	14.31	338.10	6015.49	307.70	-129.59	333.31	0.93	
6160.00	13.88	339.10	6106.66	329.01	-137.94	356.19	0.53	
6254.00	10.25	335.73	6198.56	347.18	-145.41	375.80	3.93	
6347.00	12.13	341.10	6289.80	363.97	-151.97	393.82	2.31	
6440.00	14.31	345.60	6380.33	384.35	-158.00	415.04	2.59	
6534.00	13.25	341.73	6471.62	405.83	-164.26	437.38	1.49	
6628.00	13.44	339.98	6563.08	426.32	-171.38	459.07	0.47	
6721.00	14.13	346.73	6653.41	447.53	-177.69	481.17	1.88	
6814.00	15.00	351.98	6743.43	470.49	-181.97	504.25	1.70	
6908.00	13.81	352.98	6834.47	493.68	-185.04	527.13	1.29	
7000.00	14.75	351.10	6923.63	516.14	-188.19	549.36	1.14	
7094.00	11.38	347.73	7015.18	537.04	-192.02	570.33	3.67	
7187.00	7.94	339.60	7106.85	552.03	-196.21	585.86	3.97	
7280.00	6.31	336.10	7199.13	562.72	-200.52	597.38	1.81	
7373.00	6.56	350.10	7291.55	572.63	-203.50	607.71	1.70	
7467.00	4.94	357.10	7385.08	581.96	-204.63	616.89	1.87	
7592.00	2.25	335.60	7509.82	589.57	-205.92	624.49	2.37	
7645.00	2.25	335.60	7562.78	591.47	-206.78	626.56	0.00	

Bottom Hole Closure 626.57ft Along Azimuth 340.73°