

Washington

TRU Solutions LLC

JAN 17 2008
OCD-ARTESIA

WRES:08:503
UFC:5486.00

January 14, 2008

Mr. B. Arrant, Geologist
New Mexico Energy, Minerals, and Natural Resources Department
Oil Conservation Division, District 2
1301 West Grand Avenue
Artesia, New Mexico 88210

Subject: JOINT POWERS AGREEMENT ON MANAGEMENT OF THE WASTE ISOLATION
PILOT PLANT LAND WITHDRAWAL AREA, SECTION 1(G)(1)(A); TRANSMITTAL OF
NON-PROPRIETARY BOREHOLE COMPLETION REPORTS

Dear Mr. Arrant:

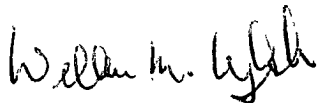
Enclosed are copies of daily drill reports for recently completed boreholes with surface locations within 330 feet of the Waste Isolation Pilot Plant Land Withdrawal Area (WLWA) boundary. The name of the wells are GLOW WORM ALX #11 and #12 completed by Yates Petroleum and North Pure Gold 5 FED #1H, #2H and #3H completed by Devon Energy. This information is being transmitted to you per the referenced section in the Joint Powers Agreement because the surface location of these wells are within 330 feet of the WLWA boundary.

Information provided by Yates and Devon Energy for these wells indicate that the WLWA boundary was not penetrated during drilling operations.

With respect to the attached information in the attached reports, neither the U.S. Department of Energy nor its agents, representatives, or contractors makes any warranty, express or implied, concerning the accuracy or completeness of the information. Nor do they assume any legal liability or responsibility for the accuracy, completeness or usefulness of the information or represents that its use would not infringe privately owned rights.

If you have any questions concerning this matter, please contact me at (575) 234-7545.

Sincerely,



W. M. Wierzbicki, Manager
Regulatory Compliance

Enclosures

cc: (without enclosures)

V. Daub, CBFO

D. C. Moody, CBFO

R. L. Patterson, CBFO



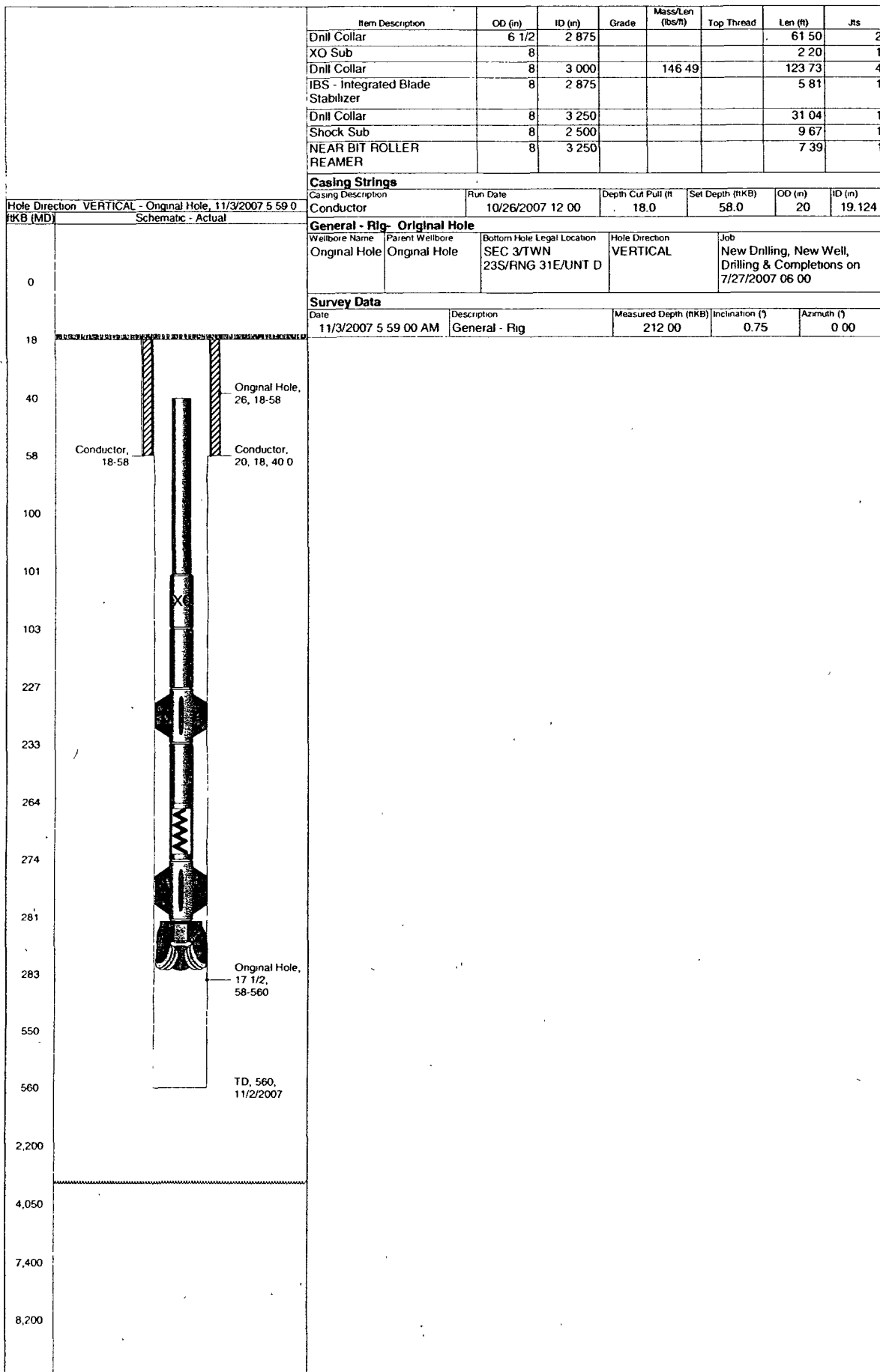
Yates Daily Drilling Report

Report Date: 11/3/2007

GLOW WORM ALX FEDERAL #12

Report #: 27.0

Day # 0





Yates Daily Drilling Report

Report Date: 11/3/2007

Report #: 27.0

GLOW WORM ALX FEDERAL #12

Day # 0

Bit Record				API/UWI	County	State	Surface Legal Location						
Bit Number	Drill Bit	Dull Out	Nozzles (3/32")	3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D						
2	Bit # 2 - 17 1/2, <Model?>, MR6076	1-1-B	16/16/15	Operator	YATES PETROLEUM CORP		Hole Direction	N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Org KB Elev
						VERTICAL	330 0	FNL	330 0	FWL	3,404 00	3,422 00	
Depth In (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP									
58 0	283 0	502 00	18 75	26 8									
Jobs													
AFE Number		Total AFE		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location			Drill Hrs		
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D			26.00		
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date							
24,349 60		37,349 60											
Day No	Report End Date	Formation		Lithology		Present Operations							
0	11/3/2007 05 59	SURFACE				DRILLING							
Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)					
283 0		58 0		225 00		7 75		29 0					
Hole Direction: VERTICAL - Original Hole, 11/3/2007 5 59.0													
ftKB (MD) Schematic - Actual													
Remarks													
DRILLING													
Avg Background Gas (1/unit)				Max Background Gas (1/unit)				Avg Connection Gas (1/unit)				Max Connection Gas (1/unit)	
Avg Trip Gas (1/unit)				Max Trip Gas (1/unit)				Flare					
Mud Checks													
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM					
8 40													
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft ²)		Gel 10 sec (lb/100ft ²)		Gel 10 min (lb/100ft ²)		pH			
31													
Water Loss (ml/30min)		Filter Cake (3/32")		KCl (%)		Percent Oil (%)							
Comment													
Time Log													
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment						
06 00	2 00	08 00	2 00	RIG REPAIR			INSTALL CROWN						
08 00	14 00	22 00	16 00	RIG UP	58 0	58 0							
22 00	6 25	04 15	22 25	DRILLING	58 0	252 0							
04 15	0 25	04 30	22 50	DEVIATION SURVEY	252 0		WLS @ 212 / 75°						
04 30	1 50	06 00	24 00	DRILLING	252 0	283 0							
Daily Costs													
Cost Description				Cost Details				Cost		Vendor			
Bits, Tools & Supplies - Completion								1,000 00		ULTRERRA			
Casing Inspection - All Strngs								818 60		CHARLIE'S ROUSTABOUT SERVICE			
Supervision & Overhead - Drilling								1,000 00		RGI INC			
Drilling Water, Fasline Rental				Water Hauling				5,031 00		JIM'S WATER SERVICE			
Drilling, Daywork								16,500 00		SILVER OAK DRILLING			
Daily Contacts													
Job Contact				Company				Phone Mobile					
GENE CUTRELL, DRILLING CONSULTANT				RGI				575-369-6418					
Job Contact				Company				Phone Mobile					
RIG FLOOR - 6, RIG PHONE				SILVER OAK				505-513-2114					
Job Contact				Company				Phone Mobile					
MARGRETHE HOTTER, ENGINEER				YATES				505-703-0749					
Job Contact				Company				Phone Mobile					
RAY PODANY, GEOLOGIST				YATES				505-365-4190					
Job Contact				Company				Phone Mobile					
JANET RICHARDSON, LANDMAN				YATES									
Rigs													
Rig Contractor				Rig Number		KB from GL (ft)		Rig Type					
SILVER OAK DRILLING COMPANY				6		18 00		Drilling - Triple					
Mud Pumps - 1													
No	Start Date	Make		Model		Pwr (hp)		Rod Dia (in)					
1	10/19/2007 06 00	Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)					
5 1/2		10/19/2007 06 00		10/1/2008 05 59				0 066					
Pump Checks													
Pump Number	Date	Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)					
1	11/3/2007 05 59	283 0		No		100		300 0					
Mud Pumps - 2													
No	Start Date	Make		Model		Pwr (hp)		Rod Dia (in)					
2	10/19/2007 06 00	Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)					
5 1/2		10/19/2007 06 00		10/1/2008 05 59				0 066					
Safety Checks													
Date	Description			Type		Comment							
11/3/2007 05 59				Pre Spud		PRE-SPUD WITH TOOLPUSHER							
Mud Additive Amounts													
Description				Type				Consumed		Units			
Paper				LCM				10 0		sacks			
Description				Type				Consumed		Units			
Fresh Gel								50 0		sacks			
Drill Strings: BHA #2, Packed Hole													
Bit Number	Drill Bit	Depth In (ftKB)		Depth Out (ftKB)		Drilled (ft)		Drill Time (hrs)		BHA ROP (ft/hr)			
2	Bit # 2 - 17 1/2 - Model?> MR6076	58 0		283 0		225 00		7 75		29 0			
String Length (ft)		String Wt (1000lb)		OD (in)		ADC Bit Dull		TFA (in)		Nozzles (3/32")			
243 34		18		8 000						16/16/15			
Drill Form - Drilling Parameters 58.0 ftKB - 283.0 ftKB -													
WOB (1000lb)	RPM (rpm)	Motor R	Bit RPM	SPP (psi)	Q (flow) (g)	Rot String Wt (100)	PU Str Wt (100)	SO Str Wt (100)					
45	75		75	300 0	386	51	51	51					

Conductor, 18-58

Conductor, 20, 18, 40 0

Original Hole, 17 1/2, 58-560

TD, 560, 11/2/2007



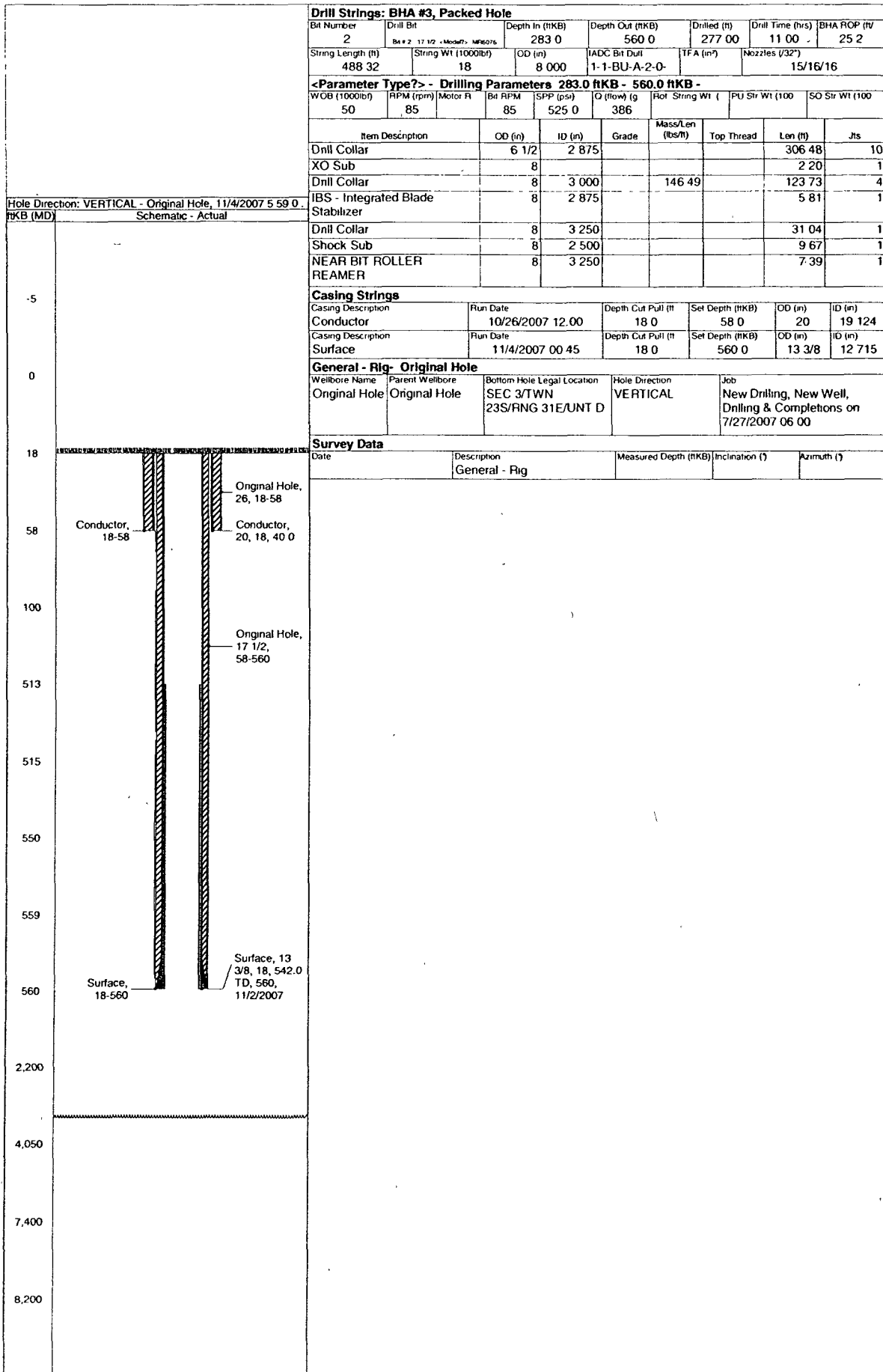
Yates Daily Drilling Report

Report Date: 11/4/2007

GLOW WORM ALX FEDERAL #12

Report #: 28.0

Day # 1





Yates Daily Drilling Report

Report Date: 11/4/2007

GLOW WORM ALX FEDERAL #12

Report #: 28.0

Day # 1

Bit Record					API/UWI		County		State		Surface Legal Location				
Bit Number	Drill Bit	Dull Out	Nozzles (/32")												
2	Bit # 2 - 17 1/2, <Model?>, MR6076	1-1-B	15/16/16		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D							
Operator					Hole Direction		N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev			
YATES PETROLEUM CORP					VERTICAL		330 0	FNL	330 0	FWL	3,404 00	3,422 00			
Depth In (ftKB)					Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP							
58 0					560 0	502 00	18 75	26 8							
Jobs															
AFE Number		Total AFE		Tgt Depth (ftKB)	Target Formation		Bottom Hole Legal Location					Drill Hrs			
073230		1,983,700 00		8,200 0	BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D					26 00			
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date									
1,000 00		38,349 60													
Day No	Report End Date	Formation		Lithology		Present Operations									
1	11/4/2007 05 59	SURFACE				WAIT ON CEMENT									
Depth End (ftKB)					Depth Start (ftKB)	Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)					
560 0					283 0	277 00		11 00		25 2					
Hole Direction VERTICAL - Original Hole, 11/4/2007 5 59.0															
ftKB (MD) Schematic - Actual															
Remarks															
WOC															
Avg Background Gas (ft/unit)				Max Background Gas (ft/unit)				Avg Connection Gas (ft/unit)				Max Connection Gas (ft/unit)			
Avg Trip Gas (ft/unit)				Max Trip Gas (ft/unit)				Flare							
Mud Checks															
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM							
9 20															
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft)		Gel 10 sec (lb/100ft)		Gel 10 min (lb/100ft)		pH					
32										8 5					
Water Loss (mL/30min)				Filter Cake (1/32")				KGI (%)		Percent Oil (%)					
Comment															
Time Log															
Start Time		Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment							
06 00		5 50	11 30	5 50	DRILLING	283 0	437 0								
11 30		0 50	12 00	6 00	SERVICE RIG	437 0									
12 00		0 25	12 15	6 25	SURVEY - WIRELINE			WLS @ 397' . 75"							
12 15		5 50	17 45	11 75	DRILLING	437 0	560 0	T D SURFACE HOLE @ 560'							
17 45		0 50	18 15	12 25	CIRCULATE	560 0		CIRCULATE OUT SWEEP							
18 15		0 25	18 30	12 50	SURVEY - WIRELINE			WLS @ 520' . 75" (NO CROWS FOOT IN BHA)							
18 30		0 25	18 45	12 75	CIRCULATE			SPOT HI-VIS PILL ON BOTTOM							
18 45		1 25	20 00	14 00	TRIP OUT			LAY DOWN 17 5" BHA							
20 00		0 25	20 15	14 25	RIG UP EQUIPMENT			RIG UP CASING CREW							
20 15		1 75	22 00	16 00	RUN CASING			HOLD SAFTY MEETING							
22 00		1 75	23 45	17 75	RIG UP CEMENTER AND CIRCULATE			HOLD SAFTY MEETING							
23 45		1 00	00 45	18 75	CEMENTING			CIRCULATE 68 SX (24 BBLS TO RESERVE)							
00 45		5 25	06 00	24 00	WAIT ON CEMENT			JET PITS							
Daily Costs															
Cost Description					Cost Details			Cost		Vendor					
Supervision & Overhead - Drilling								1,000.00		RGI INC					
Daily Contacts															
Job Contact					Company					Phone Mobile					
GENE CUTRELL, DRILLING CONSULTANT					RGI					575-369-6418					
Job Contact					Company					Phone Mobile					
RIG FLOOR - 6, RIG PHONE					SILVER OAK					505-513-2114					
Job Contact					Company					Phone Mobile					
MARGRETHE HOTTER, ENGINEER					YATES					505-703-0749					
Job Contact					Company					Phone Mobile					
RAY PODANY, GEOLOGIST					YATES					505-365-4190					
Job Contact					Company					Phone Mobile					
JANET RICHARDSON, LANDMAN					YATES										
Rigs															
Rig Contractor					Rig Number		KB from GL (ft)		Rig Type						
SILVER OAK DRILLING COMPANY					6		18 00		Drilling - Triple						
Mud Pumps - 1															
No	Start Date		Make		Model		Pwr (hp)		Rod Dia (in)						
1	10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2						
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Stk		100% (bbl/s)					
5 1/2		10/19/2007 06 00		10/1/2008 05 59				0 066							
Pump Checks															
Pump Number	Date		Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)						
1	11/4/2007 05 59		560 0		No		100		525 0						
Mud Pumps - 2															
No	Start Date		Make		Model		Pwr (hp)		Rod Dia (in)						
2	10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2						
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Stk		100% (bbl/s)					
5 1/2		10/19/2007 06 00		10/1/2008 05 59				0 066							
Safety Checks															
Date	Description				Type		Comment								
Mud Additive Amounts															
Description					Type		Consumed		Units						
Fresh Gel							15 0		sacks						



Yates Daily Drilling Report

Report Date: 11/5/2007

GLOW WORM ALX FEDERAL #12

Report #: 29.0

Day # 2

Pump Checks	
Pump Number	Date
2	11/5/2007 05 59
Depth (ftKB)	Slow Spd
625 0	No
Strokes (spm)	Pressure (psi)
95	1,000 0

Safety Checks	
Date	Description
	Type
	Comment

Mud Additive Amounts	
Description	Type
	Consumed
	Units

Drill Strings: BHA #4, Packed Hole							
Bit Number	Drill Bit	Depth In (ftKB)	Depth Out (ftKB)	Drilled (ft)	Drill Time (hrs)	BHA ROP (ft/hr)	
3	Bit # 3 11, -Model?-, 4229	560 0	625 0	65 00	2 25	28 9	
String Length (ft)	String Wt (1000lbf)	OD (in)	IADC Bit Dull	TFA (in ²)	Nozzles (3/32")		
602 73	21	8 000			15/15/15/15/15/15/15		

Drill Form - Drilling Parameters 560.0 ftKB - 625.0 ftKB -									
WOB (1000lbf)	RPM (rpm)	Motor R	Bit RPM	SPP (psi)	G (flow) (g)	Rot String Wt (	PU Str Wt (100	SO Str Wt (100	
1,000	45	80	125	1,000 0	510	62	62	62	
Item Description	OD (in)	ID (in)	Grade	Mass/Len (lbs/ft)	Top Thread	Len (ft)	Jts		
Drill Collar	6 1/2	2 875				367 73	12		
XO Sub	8					2 20	1		
Drill Collar	8	3 000		146 49		123 73	4		
Reamer	8	2 500				5 75	1		
Drill Collar	8	3 250				31 04	1		
Reamer	8	2 500				8 18	1		
NMDC	8	2 500		102 14		30 30	1		
Float Sub	8					2 60	1		
Mud Motor	8					29.70	1		

Casing Strings					
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)
Conductor	10/26/2007 12 00	18 0	58 0	20	19.124
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)
Surface	11/4/2007 00 45	18 0	560 0	13 3/8	12.715

General - Rig- Original Hole				
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location	Hole Direction	Job
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL	New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00

Survey Data			
Date	Description	Measured Depth (ftKB)	Inclination (°)
	General - Rig		

Hole Direction: VERTICAL - Original Hole, 11/5/2007 5 59 0	
ftKB (MD)	Schematic - Actual
-5	
0	
18	Original Hole, 26, 18-58
22	Conductor, 18-58
58	Conductor, 20, 18, 40 0
100	
390	Original Hole, 17 1/2, 58-560
392	
513	
515	
516	
522	
550	
553	
559	
560	Surface, 18-560
561	Surface, 13 3/8, 18, 542 0
591	
594	Original Hole, 11, 560-625
623	
625	TD, 625, 11/4/2007
2,200	
4,050	
7,400	
8,200	



Yates Daily Drilling Report

Report Date: 11/5/2007

GLOW WORM ALX FEDERAL #12

Report #: 29.0

Day # 2

Bit Record					APU/WI	County	State	Surface Legal Location							
Bit Number	Drill Bit	Dull Out	Nozzles (3/32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D							
3	Bit # 3 - 11, <Model?>, 4229		15/15/15/1		Operator	YATES PETROLEUM CORP	Hole Direction	VERTICAL	N/S Dist	330 0	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Org KB Elev
Depth In (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP											
560.0	625 0	65 00	2 25	28.9											
Jobs															
AFE Number		Total AFE		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location				Drill Hrs			
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D				26 00			
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date									
37,167 75		75,517 35													
Day No		Report End Date		Formation		Lithology		Present Operations							
2		11/5/2007 05 59		TOP OF SALT				DRILLING							
Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)							
625 0		560 0		65.00		2 25		28.9							
Hole Direction: VERTICAL - Original Hole, 11/5/2007 5 59 0															
ftKB (MD)															
Schematic - Actual															
Remarks															
DRILLING															
Avg Background Gas (l/unit)				Max Background Gas (l/unit)				Avg Connection Gas (l/unit)				Max Connection Gas (l/unit)			
Avg Trip Gas (l/unit)				Max Trip Gas (l/unit)				Flare							
Mud Checks															
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM							
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft²)		Gel 10 sec (lb/100ft²)		Gel 10 min (lb/100ft²)		pH					
Water Loss (ml/30min)		Filter Cake (3/32")		KCl (%)		Percent Oil (%)									
Comment															
Time Log															
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment								
06 00	6 50	12 30	6 50	WAIT ON CEMENT	560 0	560 0									
12 30	7 00	19 30	13 50	NU BOP & WELLHEAD	560 0	560 0	NIPPLE UP BOP AND WELL HEAD								
19 30	0 50	20 00	14 00	TEST BOP	560 0	560 0	START 1300 PSI, END 1190 PSI								
20 00	3 00	23 00	17 00	PICK UP BHA	560 0	560 0									
23 00	0 25	23 15	17 25	TEST EQUIPMENT	560 0	560 0	TEST MWD								
23 15	0 75	00 00	18 00	TRIP IN	560 0	560 0	TAG CEMENT @ 510								
00 00	2 75	02 45	20 75	DRILL CEMENT PLUGS	560 0										
02 45	0 50	03 15	21 25	DRILLING	560 0	565 0									
03 15	0 75	04 00	22 00	TEST CASING	565 0	565 0	TEST FORMATION TO 600 PSI								
04 00	1 25	05 15	23 25	DRILLING	565 0	611 0									
05 15	0 25	05 30	23 50	SURVEY - MWD	611 0	611 0									
05 30	0 50	06 00	24 00	DRILLING	611 0	625 0									
Daily Costs															
Cost Description		Cost Details		Cost		Vendor									
Supervision & Overhead - Drilling				1,000.00		RGI INC									
Drilling, Daywork				16,500.00		SILVER OAK DRILLING									
Tools&Equip Rntl Trkg & Welding-Drilling				7,810.00		PATHFINDER									
Tools&Equip. Rntl Trkg & Welding-Drilling				857.75		MAN WELDING									
Bits, Tool & Supplies Purchase - Drilling				11,000.00		ULTERRA									
Daily Contacts															
Job Contact		Company		Phone Mobile											
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418											
Job Contact		Company		Phone Mobile											
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114											
Job Contact		Company		Phone Mobile											
MARGRETHE HOTTER, ENGINEER		YATES		505-703-0749											
Job Contact		Company		Phone Mobile											
RAY PODANY, GEOLOGIST		YATES		505-365-4190											
Job Contact		Company		Phone Mobile											
JANET RICHARDSON, LANDMAN		YATES													
Rigs															
Rig Contractor		Rig Number		KB from GL (ft)		Rig Type									
SILVER OAK DRILLING COMPANY		6		18 00		Drilling - Tnple									
Mud Pumps - 1															
No	Start Date	Make		Model		Pwr (hp)		Rod Dia (in)							
1	10/19/2007 06 00	Continental Emsco		F 800		800 0		2 1/2							
Liner Size (in)	Start Date	End Date		Maximum Pressure (psi)		Vol/Str		100% (bbl/s)							
5 1/2	10/19/2007 06 00	10/1/2008 05 59						0 066							
Pump Checks															
Pump Number	Date	Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)							
1	11/5/2007 05 59	625 0		No		95		1,000 0							
Mud Pumps - 2															
No	Start Date	Make		Model		Pwr (hp)		Rod Dia (in)							
2	10/19/2007 06 00	Continental Emsco		F 800		800 0		2 1/2							
Liner Size (in)	Start Date	End Date		Maximum Pressure (psi)		Vol/Str		100% (bbl/s)							
5 1/2	10/19/2007 06 00	10/1/2008 05 59						0 066							



Yates Daily Drilling Report

Report Date: 11/6/2007

GLOW WORM ALX FEDERAL #12

Report #: 30.0

Day # 3

Daily Contacts	
Job Contact	MARGRETHE HOTTER, ENGINEER
Company	YATES
Phone Mobile	505-703-0749
Job Contact	RAY PODANY, GEOLOGIST
Company	YATES
Phone Mobile	505-365-4190
Job Contact	JANET RICHARDSON, LANDMAN
Company	YATES
Phone Mobile	

Rigs			
Rig Contractor	SILVER OAK DRILLING COMPANY	Rig Number	6
KB from GL (ft)	18 00	Rig Type	Drilling - Triple

Mud Pumps - 1					
No	1	Start Date	10/19/2007 06 00	Make	Continental Emsco
Model	F 800	Pwr (hp)	800 0	Rod Dia (in)	2 1/2
Liner Size (in)	5 1/2	Start Date	10/19/2007 06 00	End Date	10/1/2008 05 59
Maximum Pressure (psi)		Vol/Str	100% (bbl/s)		0 066

Pump Checks					
Pump Number	1	Date	11/6/2007 05 59	Depth (ftKB)	1,793 0
Slow Spd	No	Strokes (spm)	95	Pressure (psi)	1,200 0

Mud Pumps - 2					
No	2	Start Date	10/19/2007 06 00	Make	Continental Emsco
Model	F 800	Pwr (hp)	800 0	Rod Dia (in)	2 1/2
Liner Size (in)	5 1/2	Start Date	10/19/2007 06 00	End Date	10/1/2008 05 59
Maximum Pressure (psi)		Vol/Str	100% (bbl/s)		0 066

Pump Checks					
Pump Number	2	Date	11/6/2007 05 59	Depth (ftKB)	1,793 0
Slow Spd	No	Strokes (spm)	95	Pressure (psi)	1,200 0

Safety Checks			
Date		Description	Type
			Comment

Mud Additive Amounts			
Description	Type	Consumed	Units
MF 55	Flocculant	5 0	gals
Lime	Alkalinity control	10 0	sacks
Caustic Soda	Alkalinity control	11.0	sacks
Salt Water Gel		55 0	sacks

Drill Strings: BHA #5, Packed Hole							
Bit Number	3	Drill Bit	Bit # 3 - 11, <Model?> 4229	Depth In (ftKB)	625 0	Depth Out (ftKB)	1,793 0
Drilled (ft)	1,168 00	Drill Time (hrs)	17 50	BHA ROP (ft/hr)	66 7		
String Length (ft)	1,754 97	String Wt (1000lb)	40	OD (in)	8 000	IADC Bit Dull	-----
TFA (in)		Nozzles (3/2")	15/15/15/15/15/15/15				

Drill Form - Drilling Parameters 625.0 ftKB - 1,793.0 ftKB -									
WOB (1000lb)	20	RPM (rpm)	60	Motor R	80	Bit RPM	140	SPP (psi)	1,200 0
Q (flow) (g)	482	Rot. String Wt (100)	86	PU Str Wt (100)	91	SO Str Wt (100)	83		
Item Description	OD (in)	ID (in)	Grade	Mass/Len (lbs/ft)	Top Thread	Len (ft)	Jts		
Drill Pipe	4 1/2	3 826	E	16 60		1,152 24	37		
Drill Collar	6 1/2	2 875				367 73	12		
XO Sub	8					2 20	1		
Drill Collar	8	3 000		146 49		123 73	4		
Reamer	8	2 500				5 75	1		
Drill Collar	8	3 250				31 04	1		
Reamer	8	2 500				8 18	1		
NMDC	8	2 500		102 14		30 30	1		
Float Sub	8					2 60	1		
Mud Motor	8					29.70	1		

Casing Strings					
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)
Conductor	10/26/2007 12 00	18 0	58 0	20	19 124
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)
Surface	11/4/2007 00 45	18 0	560 0	13 3/8	12 715

General - Rig- Original Hole			
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location	Hole Direction
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL
			Job
			New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00

Survey Data			
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/5/2007 7 45 00 AM	General - Rig	655 00	0 35
			Azimuth (°)
			313 76
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/5/2007 9 45 00 AM	General - Rig	716 00	0 44
			Azimuth (°)
			260 41
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/5/2007 12 15 00 PM	General - Rig	873 00	0 97
			Azimuth (°)
			245 12
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/5/2007 2 00 00 PM	General - Rig	936 00	1 14
			Azimuth (°)
			260 23
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/5/2007 7 15 00 PM	General - Rig	1,216 00	0 97
			Azimuth (°)
			126 40
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/6/2007 12 30 00 AM	General - Rig	1,496 00	0 32
			Azimuth (°)
			262 52
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/6/2007 12 15 00 AM	General - Rig	1,589 00	1 32
			Azimuth (°)
			262 52

Hole Direction: VERTICAL - Original Hole, 11/6/2007 5.59 0	
ftKB (MD)	Schematic - Actual
-5	
0	
18	Original Hole, 26, 18-58
38	Conductor, 20, 18, 40 0
58	Conductor, 18-58
100	Original Hole, 17 1/2, 58-560
513	
515	
550	
559	
560	Surface, 18-560
1,190	Surface, 13 3/8, 18, 542 0
1,558	Original Hole, 11, 560-1,793
1,560	
1,684	
1,690	
1,721	
1,729	
1,759	
1,762	
1,791	
1,793	TD, 1,793, 11/4/2007
2,200	
4,050	
7,400	
8,200	



Yates Daily Drilling Report

Report Date: 11/6/2007

Report #: 30.0

GLOW WORM ALX FEDERAL #12

Day # 3

Bit Record					API/UI	County	State	Surface Legal Location					
Bit Number	Drill Bit	Dull Out	Nozzles (32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D					
3	Bit # 3 - 11, <Model?>, 4229		15/15/15/1										
Depth In (ft)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	Operator		Hole Direction	N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev
560 0	1,793 0	1,233 00	19 75	62 4	YATES PETROLEUM CORP		VERTICAL	330 0	FNL	330 0	FWL	3,404 00	3,422 00
Jobs													
AFE Number		Total AFE		Tgt Depth (ft)		Target Formation		Bottom Hole Legal Location					
073230		1,983,700 00		8,200.0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D					
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date							
70,900 10		146,417 45											
Day No		Report End Date		Formation		Lithology		Present Operations					
3		11/6/2007 05 59		TOP OF SALT				DRILLING					
Depth End (ft)		Depth Start (ft)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)					
1,793 0		625 0		1,168 00		17 50		66 7					
Remarks													
DRILLING													
Avg Background Gas (unit)				Max Background Gas (unit)				Avg Connection Gas (unit)				Max Connection Gas (unit)	
Avg Trip Gas (unit)				Max Trip Gas (unit)				Flare					
Mud Checks													
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM					
10 00		180,000		4,200		0 3							
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft ²)		Gel 10 sec (lb/100ft ²)		Gel 10 min (lb/100ft ²)		pH			
29										11 0			
Water Loss (ml/30min)		Filter Cake (32")		KCl (%)		Percent Oil (%)							
Time Log													
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ft)	Depth End (ft)	Comment						
06 00	1 75	07 45	1 75	DRILLING	625 0	703 0							
07 45	0 25	08 00	2 00	SURVEY - MWD	703 0		655', INC 35, AZM 313 76						
08 00	1 00	09 00	3 00	DRILLING	703 0	766 0							
09 00	0 50	09 30	3 50	SERVICE RIG	766 0								
09 30	0 25	09 45	3 75	INSTALL ROTATING HEAD RUBBER	766 0								
09 45	0 25	10 00	4 00	SURVEY - MWD			716', INC 44, AZM 260 41						
10 00	2 25	12 15	6 25	DRILLING	766 0	922 0							
12 15	0 25	12 30	6 50	SURVEY - MWD	922 0		873', INC 97, AZM 245.12						
12 30	1 50	14 00	8 00	DRILLING	922 0	984 0							
14 00	0 50	14 30	8 50	SURVEY - MWD	984 0		936', INC 1 14, AZM 260 23						
14 30	1 25	15 45	9 75	DRILLING	984 0	1,077 0							
15 45	0 25	16 00	10 00	RIG REPAIR	1,077 0		WORK ON AUTO DRILLER						
16 00	3 25	19 15	13 25	DRILLING	1,077 0	1,264 0							
19 15	0 25	19 30	13 50	SURVEY - MWD	1,264 0		1216', INC 97, AZM 126 4						
19 30	3 50	23 00	17 00	DRILLING	1,264 0	1,502 0							
23 00	0 75	23 45	17 75	RIG REPAIR	1,502 0		ROTARY CHAIN						
23 45	0 75	00 30	18 50	DRILL STEM TEST	1,502 0	1,544 0							
00 30	0 25	00 45	18 75	SURVEY - MWD	1,544 0		1496', INC 32, AZM 249 78						
00 45	1 50	02 15	20 25	DRILLING	1,544 0	1,637 0							
02 15	0 25	02 30	20 50	SURVEY - MWD	1,637 0		1589', INC 1 32, AZM 262 52						
02 30	0 50	03 00	21 00	DRILLING	1,637 0	1,669 0							
03 00	0 50	03 30	21 50	RIG REPAIR	1,669 0		WORK ON AUTO DRILLER						
03 30	2 50	06 00	24 00	DRILLING	1,669 0	1,793 0							
Daily Costs													
Cost Description		Cost Details		Cost		Vendor							
Supervision & Overhead - Drilling				1,000 00		RGI INC							
Drilling, Daywork				16,500 00		SILVER OAK DRILLING							
Tools & Equip Rntl Trkg & Welding-Drilling				7,810 00		PATHFINDER							
Tools & Equip Rntl Trkg & Welding-Drilling				12,525 00		PATHFINDER							
Tools & Equip Rntl Trkg & Welding-Drilling				427 25		FLAMING EAGLE							
Casing		Casing Crews		2,568 00		ALLEN'S CASING							
Drilling Water, Fasline Rental		Potable water		229 38		B&L							
Bits, Tool & Supplies Purchase - Drilling				11,228 00		ULTERRA							
Location, Right-of-Way				15,100 00		PRECISION							
Casing		Surface		3,512 47		DAVIS-LYNCH							
Daily Contacts													
Job Contact		Company		Phone Mobile									
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418									
Job Contact		Company		Phone Mobile									
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114									



Yates Daily Drilling Report

Report Date: 11/7/2007

GLOW WORM ALX FEDERAL #12

Report #: 31.0

Day # 4

Daily Contacts	
Job Contact	Company
JANET RICHARDSON, LANDMAN	YATES
Phone Mobile	
Rigs	
Rig Contractor	Rig Number
SILVER OAK DRILLING COMPANY	6
KB from GL (ft)	Rig Type
18 00	Drilling - Tnple
Mud Pumps - 1	
No	Start Date
1	10/19/2007 06 00
Make	Model
Continental Emsco	F 800
Pwr (hp)	Rod Dia (in)
800 0	2 1/2
Liner Size (in)	Start Date
5 1/2	10/19/2007 06 00
End Date	Maximum Pressure (psi)
10/1/2008 05 59	Vol/Str - 100% (bbl/s)
	0 066
Pump Checks	
Pump Number	Date
1	11/7/2007 05 59
Depth (ftKB)	Slow Spd
2,873.0	No
Strokes (spm)	Pressure (psi)
90	1,525 0
Mud Pumps - 2	
No	Start Date
2	10/19/2007 06 00
Make	Model
Continental Emsco	F 800
Pwr (hp)	Rod Dia (in)
800 0	2 1/2
Liner Size (in)	Start Date
5 1/2	10/19/2007 06 00
End Date	Maximum Pressure (psi)
10/1/2008 05 59	Vol/Str - 100% (bbl/s)
	0 066
Pump Checks	
Pump Number	Date
2	11/7/2007 05 59
Depth (ftKB)	Slow Spd
2,873 0	No
Strokes (spm)	Pressure (psi)
90	1,525 0
Safety Checks	
Date	Description
	Type
	Comment
Mud Additive Amounts	
Description	Type
Cautic Soda	Alkalinity control
Consumed	Units
3.0	sacks
Description	Type
Lime	Alkalinity control
Consumed	Units
3.0	sacks
Description	Type
Salt Water Gel	
Consumed	Units
10.0	sacks
Drill Strings: BHA #6, Packed Hole	
Bit Number	Drill Bit
3	Bit # 3 11 -Model?> 4229
Depth In (ftKB)	Depth Out (ftKB)
1,793.0	2,870 0
Drilled (ft)	Drill Time (hrs)
1,077 00	20.50
BHA ROP (ft/hr)	
52 5	
String Length (ft)	String Wt (1000lb)
2,844 34	57
OD (in)	IADC Bit Dull
8 000	-----
TFA (in)	Nozzles (3/32")
	15/15/15/15/15/15/15
Drill Form - Drilling Parameters 1,793.0 ftKB - 2,870.0 ftKB -	
WOB (1000lb)	RPM (rpm)
18	65
Motor R	SPP (psi)
80	145
Q (flow) (g)	Rot String Wt (100)
1,525.0	105
PU Str Wt (100)	SO Str Wt (100)
108	101
Item Description	
Drill Pipe	OD (in)
	4 1/2
ID (in)	3 826
Grade	Mass/Len (lbs/ft)
E	16 60
Top Thread	Len (ft)
	2,180 25
Jts	
70	
Drill Collar	OD (in)
	6 1/2
ID (in)	2 875
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	429 09
Jts	
14	
XO Sub	OD (in)
	8
ID (in)	
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	2 20
Jts	
1	
Drill Collar	OD (in)
	8
ID (in)	3 000
Grade	Mass/Len (lbs/ft)
	146 49
Top Thread	Len (ft)
	123.73
Jts	
4	
Reamer	OD (in)
	8
ID (in)	2 500
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	5.75
Jts	
1	
Drill Collar	OD (in)
	8
ID (in)	3 250
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	31 04
Jts	
1	
Reamer	OD (in)
	8
ID (in)	2 500
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	8 18
Jts	
1	
NMDC	OD (in)
	8
ID (in)	2 500
Grade	Mass/Len (lbs/ft)
	102.14
Top Thread	Len (ft)
	30 30
Jts	
1	
Float Sub	OD (in)
	8
ID (in)	
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	2 60
Jts	
1	
Mud Motor	OD (in)
	8
ID (in)	
Grade	Mass/Len (lbs/ft)
Top Thread	Len (ft)
	29 70
Jts	
1	
Casing Strings	
Casing Description	Run Date
Conductor	10/26/2007 12:00
Depth Cut Pull (ft)	Set Depth (ftKB)
18 0	58 0
OD (in)	ID (in)
20	19.124
Casing Description	Run Date
Surface	11/4/2007 00 45
Depth Cut Pull (ft)	Set Depth (ftKB)
18 0	560 0
OD (in)	ID (in)
13 3/8	12.715
General - Rig - Original Hole	
Wellbore Name	Parent Wellbore
Original Hole	Original Hole
Bottom Hole Legal Location	Hole Direction
SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL
Job	
New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00	
Survey Data	
Date	Description
11/6/2007 7.15 00 AM	General - Rig
Measured Depth (ftKB)	Inclination (°)
1,777 00	1 14
Azimuth (°)	
251 79	
Date	Description
11/6/2007 8 45 00 AM	General - Rig
Measured Depth (ftKB)	Inclination (°)
1,870.00	1 41
Azimuth (°)	
245 29	
Date	Description
11/7/2007	General - Rig
Measured Depth (ftKB)	Inclination (°)
2,618 00	1 58
Azimuth (°)	
264 98	
Date	Description
11/7/2007	General - Rig
Measured Depth (ftKB)	Inclination (°)
2,711 00	1 32
Azimuth (°)	
258.12	
Date	Description
11/7/2007	General - Rig
Measured Depth (ftKB)	Inclination (°)
2,805 00	1 67
Azimuth (°)	
253 38	

Hole Direction VERTICAL - Original Hole, 11/7/2007 5 59:0

ftKB (MD) Schematic - Actual

5

0

18

26

58

100

513

515

550

559

560

2,200

2,206

2,635

2,637

2,761

2,767

2,798

2,806

2,836

2,839

2,868

2,870

4,050

7,400

8,200

Conductor, 18-58

Original Hole, 26, 18-58

Conductor, 20, 18, 40 0

Original Hole, 17 1/2, 58-560

Surface, 18-560

Surface, 13 3/8, 18, 542 0

Original Hole, 11, 560-2,870

TD, 2,870, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/7/2007

GLOW WORM ALX FEDERAL #12

Report #: 31.0

Day # 4

Bit Record					API/UWI		County		State		Surface Legal Location			
Bit Number	Drill Bit	Dull Out	Nozzles (1/32")		3001535314	EDDY	NEW	MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D					
3	Bit # 3 - 11, <Model?>, 4229	-----	15/15/15/1		Operator		Hole Direction		N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev
Depth in (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	YATES PETROLEUM CORP		VERTICAL		330 0	FNL	330 0	FWL	3,404 00	3,422 00
560 0	2,870 0	2,310 00	40 25	57 4										
Jobs														
AFE Number		Total AFE		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location				Drill Hrs		
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D				64 00		
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date								
27,118 50		173,535 95												
Day No		Report End Date		Formation		Lithology		Present Operations						
4		11/7/2007 05 59		TOP OF SALT				DRILLING						
Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)						
2,870 0		1,793 0		1,077 00		20 50		52 5						
Hole Direction: VERTICAL - Original Hole, 11/7/2007 5 59.0.														
ftKB (MD) Schematic - Actual														
Remarks														
DRILLING														
Avg Background Gas (unit)				Max Background Gas (unit)				Avg Connection Gas (unit)				Max Connection Gas (unit)		
Avg Trip Gas (unit)				Max Trip Gas (unit)				Flare						
Mud Checks														
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM						
10 10		180,000				0 3								
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft)		Gel 10 sec (lb/100ft)		Gel 10 min (lb/100ft)		pH				
28										11 0				
Water Loss (mL/30min)		Filter Cake (1/32")		KCl (%)		Percent Oil (%)								
Comment														
Time Log														
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment							
06 00	1 25	07 15	1 25	DRILLING	1,793 0	1,825 0								
07 15	0 25	07 30	1 50	SURVEY - MWD	1,825 0		1777', INC 1 14, AZM 251 79							
07 30	1 25	08 45	2 75	DRILLING	1,825 0	1,918 0								
08 45	0 25	09 00	3 00	SURVEY - MWD	1,918 0		1870', INC 1 41, AZM 245 29							
09 00	2 25	11 15	5 25	DRILLING	1,918 0	2,012 0								
11 15	0 50	11 45	5 75	SERVICE RIG	2,012 0									
11 45	0 25	12 00	6 00	SURVEY - MWD			1964', INC 1 41, AZM 258 30							
12 00	1 75	13 45	7 75	DRILLING	2,012 0	2,105 0								
13 45	0 25	14 00	8 00	SURVEY - MWD	2,105 0		2057', INC 1 49, AZM 252 06							
14 00	1 50	15 30	9 50	DRILLING	2,105 0	2,199 0								
15 30	0 25	15 45	9 75	SURVEY - MWD	2,199 0		2151', INC 1 32, AZM 265 68							
15 45	1 50	17 15	11 25	DRILLING	2,199 0	2,292 0								
17 15	0 25	17 30	11 50	SURVEY - MWD	2,292 0		2244', INC 1 67, AZM 267 86							
17 30	1 75	19 15	13 25	DRILLING	2,292 0	2,385 0								
19 15	0 25	19 30	13 50	SURVEY - MWD	2,385 0		2337', INC 1 32, AZM 249 86							
19 30	1 00	20 30	14 50	DRILLING	2,385 0	2,479 0								
20 30	0 25	20 45	14 75	SURVEY - MWD	2,479 0		2431', INC 1 85, AZM 260 14							
20 45	1 00	21 45	15 75	DRILLING	2,479 0	2,541 0								
21 45	0 50	22 15	16 25	SLIDE	2,541 0	2,553 0								
22 15	1 00	23 15	17 25	DRILLING	2,553 0	2,572 0								
23 15	0 25	23 30	17 50	SURVEY - MWD	2,572 0		2524', INC 1 76, AZM 260 06							
23 30	2 25	01 45	19 75	DRILLING	2,572 0	2,665 0								
01 45	0 25	02 00	20 00	SURVEY - MWD	2,665 0		2618', INC 1 58, AZM 264 98							
02 00	1 50	03 30	21 50	DRILLING	2,665 0	2,759 0								
03 30	0 25	03 45	21 75	SURVEY - MWD	2,759 0		2711', INC 1 32, AZM 258 12							
03 45	1 75	05 30	23 50	DRILLING	2,759 0	2,853 0								
05 30	0 25	05 45	23 75	SURVEY - MWD	2,853 0		2805', INC 1 67, AZM 253 38							
05 45	0 25	06 00	24 00	DRILLING	2,853 0	2,873 0								
Daily Costs														
Cost Description		Cost Details			Cost		Vendor							
Supervision & Overhead - Drilling					1,000 00		RGI INC							
Drilling, Daywork					16,500 00		SILVER OAK DRILLING							
Tools & Equip Rntl, Trkg & Welding - Drilling					8,390 00		PATHFINDER							
Drilling Water, Fasline Rental		Water Hauling			1,228 50		JIM'S WATER SERVICE							
Daily Contacts														
Job Contact		Company			Phone Mobile									
GENE CUTRELL, DRILLING CONSULTANT		RGI			575-369-6418									
Job Contact		Company			Phone Mobile									
RIG FLOOR - 6, RIG PHONE		SILVER OAK			505-513-2114									
Job Contact		Company			Phone Mobile									
MARGRETHE HOTTER, ENGINEER		YATES			505-703-0749									
Job Contact		Company			Phone Mobile									
RAY PODANY, GEOLOGIST		YATES			505-365-4190									



Yates Daily Drilling Report

Report Date: 11/8/2007

Report #: 32.0

GLOW WORM ALX FEDERAL #12

Day # 5

Rigs	
Rig Contractor SILVER OAK DRILLING COMPANY	Rig Number 6
KB from GL (ft) 18 00	Rig Type Drilling - Triple

Mud Pumps - 1	
No 1	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 5 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 0 066

Pump Checks	
Pump Number 1	Date 11/8/2007 05 59
Depth (ftKB) 3,693 0	Slow Spd No
Strokes (spm) 95	Pressure (psi) 1,550 0

Mud Pumps - 2	
No 2	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 5 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 0 066

Pump Checks	
Pump Number 2	Date 11/8/2007 05 59
Depth (ftKB) 3,693 0	Slow Spd No
Strokes (spm) 95	Pressure (psi) 1,550 0

Safety Checks	
Date 11/8/2007 05 59	Description H2S AWARENESS
Type H2S	Comment SAFETY MEETING WITH CREWS & PUSHER

Mud Additive Amounts	
Description Lime	Type Alkalinity control
Consumed 4 0	Units sacks
Description Caustic Soda	Type Alkalinity control
Consumed 20 0	Units sacks

Drill Strings: BHA #7, Packed Hole	
Bit Number 3	Drill Bit Bit # 3 - 11, -Model? - 4229
Depth In (ftKB) 2,873.0	Depth Out (ftKB) 3,693 0
Drilled (ft) 820 00	Drill Time (hrs) 21 00
BHA ROP (ft/hr) 39 0	
String Length (ft) 3,653 82	String Wt (1000lb) 71
OD (in) 8.000	IADC Bit Dull -----
TFA (in) -----	Nozzles (3/32") 15/15/15/15/15/15/15

Drill Form - Drilling Parameters 2,873.0 ftKB - 3,693.0 ftKB -	
WOB (1000lb) 25	RPM (rpm) 65
Motor R 80	Bit RPM 145
SPP (psi) 1,550.0	Q (flow) (g) 510
Rot String Wt (lb) 115	PU Str Wt (100) 123
SD Str Wt (100) 115	

Item Description	
OD (in) 4 1/2	ID (in) 3 826
Grade E	Mass/Len (lbs/ft) 16.60
Top Thread 2,989 73	Jts 96
Drill Pipe 6 1/2	ID (in) 2 875
Drill Collar 8	ID (in) 2 20
XO Sub 8	ID (in) 3 000
Drill Collar 8	ID (in) 2 500
Reamer 8	ID (in) 3 250
Drill Collar 8	ID (in) 2 500
Reamer 8	ID (in) 2 500
NMDC 8	ID (in) 2 500
Float Sub 8	ID (in) 2 500
Mud Motor 8	ID (in) 2 500

Casing Strings	
Casing Description Conductor	Run Date 10/26/2007 12 00
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 58 0
OD (in) 20	ID (in) 19 124
Casing Description Surface	Run Date 11/4/2007 00 45
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 560 0
OD (in) 13 3/8	ID (in) 12 715

General - Rig- Original Hole	
Wellbore Name Original Hole	Parent Wellbore Original Hole
Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D	Hole Direction VERTICAL
Job New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00	

Survey Data	
Date 11/8/2007	Description General - Rig
Measured Depth (ftKB) 3,459 00	Inclination (°) 1 41
Azimuth (°) 192 29	
Date 11/8/2007	Description General - Rig
Measured Depth (ftKB) 3,552 00	Inclination (°) 1 85
Azimuth (°) 174 80	

Hole Direction: VERTICAL - Original Hole, 11/8/2007 5 59 0
ftKB (MD) Schematic - Actual

0
5
18
39
58
100
513
515
550
559
560
2,200
3,029
3,458
3,460
3,584
3,590
3,621
3,629
3,659
3,662
3,692
3,693
4,050
7,400
8,200

Original Hole, 26, 18-58
Conductor, 18-58
Original Hole, 17 1/2, 58-560
Surface, 13 3/8, 18, 542.0
Original Hole, 11, 560-3,693
TD, 3,693, 11/4/2007



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Report #: 32.0

Day # 5

Bit Record					API/UWI	County	State	Surface Legal Location					
Bit Number 3	Drill Bit Bit # 3 - 11, Model? >, 4229	Dull Out -----	Nozzles (32") 15/15/15/1		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D					
Depth In (ft)(KB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	Operator YATES PETROLEUM CORP		Hole Direction VERTICAL	N/S Dist 330 0	N/S Ref FNL	E/W Dist 330 0	E/W Ref FWL	Gr Elev (ft)	Orig KB Elev
560 0	3,693 0	3,130 00	61 25	51 1								3,404 00	3,422 00
Jobs													
AFE Number 073230		Total AFE 1,983,700 00		Tgt Depth (ft)(KB) 8,200 0		Target Formation BONE SPRINGS		Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D			Drill Hrs 85 00		
Daily Cost Total 33,101 63		Cum Cost To Date 206,637 58		Daily Mud Cost 5,174 00		Mud Additive Cost To Date 5,174 00							
Day No 5		Report End Date 11/8/2007 05 59		Formation TOP OF SALT		Lithology		Present Operations DRILLING					
Hole Direction: VERTICAL - Original Hole, 11/8/2007 5 59 0		Depth End (ft)(KB) 3,693 0		Depth Start (ft)(KB) 2,873 0		Depth Progress (ft) 820 00		Drilling Hours (hrs) 21 00		Average ROP (ft/hr) 39 0			
Remarks DRILLING													
Avg Background Gas (unit)				Max Background Gas (unit)				Avg Connection Gas (unit)				Max Connection Gas (unit)	
Avg Trip Gas (unit)				Max Trip Gas (unit)				Flare					
Mud Checks													
Weight (lb/gal) 10 10		Chlorides (ppm) 184,000		Calcium (ppm) 7,000		Solids (%) 0 3		LCM					
Funnel Viscosity (s/qt) 28		PV (cp)		YP (lb/100ft) -		Gel 10 sec (lb/100ft) -		Gel 10 min (lb/100ft) -		pH 10 5			
Water Loss (ml/30min)		Filter Cake (32")		KCl (%)		Percent Oil (%)							
Comment													
Time Log													
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ft)(KB)	Depth End (ft)(KB)	Comment						
06:00	1 75	07:45	1 75	DRILLING	2,873 0	2,946 0							
07:45	0 25	08 00	2 00	SURVEY - MWD	2,946 0		2898', INC 1 49, AZM 248 46						
08:00	2 25	10 15	4 25	DRILLING	2,946 0	3,024 0	HIT H2S WATER FLOW @ 3008'						
10:15	0 75	11 00	5 00	FLOW CHECK			SHUT WELL IN & CHECK PSI (0)						
11:00	0 25	11 15	5 25	SAFETY MEETING			H2S SAFETY MEETING						
11:15	0 50	11 45	5 75	DRILLING	3,024 0	3,040 0							
11:45	0 25	12 00	6 00	SURVEY - MWD	3,040 0		2992', INC 1 67, AZM 265 52						
12:00	2 50	14 30	8 50	DRILLING	3,040 0	3,122 0							
14:30	0 25	14 45	8 75	SURVEY - MWD	3,122 0		3085', INC 1 41, AZM 251 79						
14:45	2 50	17 15	11 25	DRILLING	3,122 0	3,227 0							
17:15	0 25	17 30	11 50	SURVEY - MWD	3,227 0		3179', INC 1 14, AZM 244 04						
17:30	2 25	19 45	13 75	DRILLING	3,227 0	3,320 0							
19:45	0 25	20 00	14 00	SURVEY - MWD	3,320 0		3270', INC 88 AZM 230 26						
20:00	2 25	22 15	16 25	DRILLING	3,320 0	3,413 0							
22:15	0 25	22 30	16 50	SURVEY - MWD	3,413 0		3365', INC 1 23, AZM 219 98						
22:30	2 00	00 30	18 50	DRILLING	3,413 0	3,507 0							
00:30	0 25	00 45	18 75	SURVEY - MWD	3,507 0		3459', INC 1 41, AZM 192 29						
00:45	2 25	03 00	21 00	DRILLING	3,507 0	3,600 0							
03:00	0 25	03 15	21 25	SURVEY - MWD	3,600 0		3552', INC 1 85, AZM 175 86						
03:15	2 75	06 00	24 00	DRILLING	3,600 0	3,693 0							
Daily Costs													
Cost Description		Cost Details		Cost	Vendor								
Supervision & Overhead - Drilling				1,000 00	RGI INC								
Drilling, Daywork				16,500 00	SILVER OAK DRILLING								
Tools&Equip Rntl Trkg & Welding-Drilling				8,390 00	PATHFINDER								
Tools&Equip Rntl Trkg & Welding-Drilling		Safety Equipment		190 00	PASON								
Casing Inspection - All Strngs				1,288 63	CHARLIE'S ROUSTABOUT SERVICE								
Drilling Water, Fasline Rental		Water Hauling		559 00	JIM'S WATER SERVICE								
Drilling Mud & Additives				5,174 00	ARTESIA LUMBER COMPANY								
Daily Contacts													
Job Contact		Company		Phone Mobile									
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418									
Job Contact		Company		Phone Mobile									
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114									
Job Contact		Company		Phone Mobile									
MARGRETHE HOTTER, ENGINEER		YATES		505-703-0749									
Job Contact		Company		Phone Mobile									
RAY PODANY, GEOLOGIST		YATES		505-365-4190									
Job Contact		Company		Phone Mobile									
JANET RICHARDSON, LANDMAN		YATES											

Depth (ft)(KB)

560 0

3,693 0

3,130 00

61 25

51 1

Original Hole, 26, 18-58

Conductor, 18-58

Conductor, 20, 18, 40 0

Original Hole, 17 1/2, 58-560

Surface, 13 3/8, 18, 542 0

Original Hole, 11, 560-3,693

TD, 3,693, 11/4/2007



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GLOW WORM ALX FEDERAL #12

Report #: 33.0

Day # 6

Daily Contacts	
Job Contact	Company
MARGRETHE HOTTER, ENGINEER	YATES
Job Contact	Company
RAY PODANY, GEOLOGIST	YATES
Job Contact	Company
JANET RICHARDSON, LANDMAN	YATES
Phone Mobile	505-703-0749
Phone Mobile	505-365-4190
Phone Mobile	

Rigs			
Rig Contractor	Rig Number	KB from GL (ft)	Rig Type
SILVER OAK DRILLING COMPANY	6	18 00	Drilling - Triple

Mud Pumps - 1					
No	Start Date	Make	Model	Pwr (hp)	Rod Dia (in)
1	10/19/2007 06 00	Continental Emsco	F 800	800 0	2 1/2
Liner Size (in)	Start Date	End Date	Maximum Pressure (psi)	Vol/Str - 100% (bbl/s)	
5 1/2	10/19/2007 06 00	10/1/2008 05 59		0 066	

Pump Checks					
Pump Number	Date	Depth (ft)	Slow Spd	Strokes (spm)	Pressure (psi)
1	11/9/2007 05 59	4,078 0	No	95	1,550 0

Mud Pumps - 2					
No	Start Date	Make	Model	Pwr (hp)	Rod Dia (in)
2	10/19/2007 06 00	Continental Emsco	F 800	800 0	2 1/2
Liner Size (in)	Start Date	End Date	Maximum Pressure (psi)	Vol/Str - 100% (bbl/s)	
5 1/2	10/19/2007 06 00	10/1/2008 05 59		0 066	

Pump Checks					
Pump Number	Date	Depth (ft)	Slow Spd	Strokes (spm)	Pressure (psi)
2	11/9/2007 05 59	4,078 0	No	95	1,550 0

Safety Checks			
Date	Description	Type	Comment

Mud Additive Amounts			
Description	Type	Consumed	Units
Lime	Alkalinity control	1.0	sacks
Caustic Soda	Alkalinity control	6 0	sacks
Salt Water Gel		50 0	sacks

Casing Strings					
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ft)	OD (in)	ID (in)
Conductor	10/26/2007 12:00	18 0	58.0	20	19 124
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ft)	OD (in)	ID (in)
Surface	11/4/2007 00 45	18 0	560 0	13 3/8	12 715
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ft)	OD (in)	ID (in)
Intermediate	11/8/2007 23 00		4,078 0	8 5/8	8 097

General - Rig- Original Hole				
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location	Hole Direction	Job
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL	New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00

Survey Data				
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 6 00 00 AM	General - Rig	3,645 00	1 58	153 01
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 7 00 00 AM	General - Rig	3,739 00	2 29	148 67
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 9:30 00 AM	General - Rig	3,832 00	1 85	143 95
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 11 30 00 AM	General - Rig	3,925 00	2 46	150 63
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 1 00 00 PM	General - Rig	3,988 00	2 90	149 40
Date	Description	Measured Depth (ft)	Inclination (°)	Azimuth (°)
11/8/2007 2 15 00 PM	General - Rig	4,019 00	2 55	146 68

Hole Direction: VERTICAL - Original Hole, 11/9/2007 5 59 0.	
KB (MD)	Schematic - Actual
-5	
0	
0	
18	Conductor, 18-58
19	Original Hole, 26, 18-58
58	Conductor, 20, 18, 40.0
85	
100	Original Hole, 17 1/2, 58-560
513	
515	
550	
559	
560	Surface, 18-560
	Surface, 13 3/8, 18, 542 0
2,200	
2,213	Original Hole, 11, 560-4,078
3,414	
3,843	
3,845	
3,969	
3,975	
4,006	
4,014	
4,031	
4,033	
4,044	
4,047	
4,050	
4,076	Intermediate, 8 5/8, 0, 4,078 2
4,078	T.D. 4,078, 11/4/2007
7,400	
8,200	



Yates Daily Drilling Report

Report Date: 11/9/2007

GLOW WORM ALX FEDERAL #12

Report #: 33.0

Day # 6

Bit Record					API/UWI	County	State	Surface Legal Location												
Bit Number	Drill Bit	Dull Out	Nozzles (3/32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D												
3	Bit # 3 - 11, <Model?>, 4229		15/15/15/1		Operator YATES PETROLEUM CORP.			Hole Direction VERTICAL	N/S Dist 330 0	N/S Ref FNL	E/W Dist 330 0	E/W Ref FWL	Gr Elev (ft) 3,404 00	Orig KB Elev 3,422 00						
Depth In (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP																
560.0	4,078 0	3,515 00	67 25	52 3																
Jobs																				
AFE Number 073230		Total AFE Amount 1,983,700 00		Tgt Depth (ftKB) 8,200 0		Target Formation BONE SPRINGS		Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D			Drill Hrs 91 00									
Daily Cost Total 45,697 79		Cum Cost To Date 252,335 37		Daily Mud Cost 12,657 14		Mud Additive Cost To Date 17,831 14														
Day No 6		Report End Date 11/9/2007 05 59		Formation at Report Time TOP OF SALT		Lithology		Present Operations FISHING												
Hole Direction VERTICAL - Original Hole, 11/9/2007 5 59.0																				
ftKB (MD)		Schematic - Actual																		
Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)												
4,078 0		3,693 0		385 00		6 00		64 2												
Remarks																				
W/O FISHING TOOLS																				
Avg Background Gas (1/unit)															Max Background Gas (1/unit)		Avg Connection Gas (1/unit)		Max Connection Gas (1/unit)	
Avg Trip Gas (1/unit)															Max Trip Gas (1/unit)		Flare			
Mud Checks																				
Weight (lb/gal) 10 10		Chlorides (ppm) 184,000		Calcium (ppm)		Solids (%) 0 3		LCM												
Funnel Viscosity (s/qt) 28		PV (cp)		YP (lb/100ft) -		Gel 10 sec (lb/100ft) -		Gel 10 min (lb/100ft) -		pH 10 5										
Water Loss (mL/30min)		Filter Cake (3/32")		KCl (%)		Percent Oil (%)														
Time Log																				
Start Time		Dur (hrs)		End Time		Cum Dur (hrs)		Time Code		Depth Start (ftKB)		Depth End (ftKB)		Comment						
06 00		0 25		06 15		0 25		SURVEY - MWD		3,693 0				3645',INC 1 58,AZM 153.01						
06 15		0 75		07 00		1 00		DRILLING		3,693 0		3,787 0								
07 00		0 25		07 15		1 25		SURVEY - MWD		3,787 0				3739',INC 2 29,AZM 148 67						
07 15		0 50		07 45		1 75		SLIDE		3,787 0		3,802 0								
07 45		1 25		09 00		3 00		DRILLING		3,802 0		3,880 0								
09 00		0 50		09 30		3 50		SERVICE RIG		3,880 0										
09 30		0 25		09 45		3 75		SURVEY - MWD		3,880 0				3832',INC 1 85,AZM 143 95						
09 45		0 25		10 00		4 00		DRILLING		3,880 0		3,911 0								
10 00		0 50		10 30		4 50		UNDEFINED STATUS		3,911 0				RIG UP FLUID CALIPER						
10 30		1 00		11 30		5 50		DRILLING		3,911 0		3,973 0								
11 30		0 25		11 45		5 75		SURVEY - MWD		3,973 0				3925' INC 2 46,AZM 150 68						
11 45		0 50		12 15		6 25		SLIDE		3,973 0		3,983 0								
12 15		1 25		13 30		7 50		DRILLING		3,983 0		4,036 0								
13 30		0 25		13 45		7 75		SURVEY - MWD		4,036 0				3988',INC 2 90,AZM 149.40						
13 45		0 75		14 30		8 50		DRILLING		4,036 0		4,067 0								
14 30		0 50		15 00		9 00		RIG REPAIR		4,067 0				AUTO DRILLER						
15 00		0 25		15 15		9 25		SURVEY - MWD		4,067 0				4019',INC 2 55,AZM 146 68						
15 15		0 25		15 30		9 50		DRILLING		4,067 0		4,078 0		TOTAL DEPTH						
15 30		1 00		16 30		10 50		CIRCULATE		4,078 0				AND SPOT SWEEP ON BTM						
16 30		2 50		19 00		13 00		TRIP OUT		4,078 0				PULLED TOP REAMER INTO ROT HEAD,BROKE ELEV ,DROPPED 8"BHA IN HOLE						
19 00		11 00		06 00		24 00		WAIT ON EQUIPMENT						W/O FISHING TOOLS						
Daily Costs																				
Cost Description		Cost Details		Cost		Vendor														
Supervision & Overhead - Drilling				1,000 00		RGI INC														
Drilling, Daywork				16,500 00		SILVER OAK DRILLING														
Tools&Equip Rntl Trkg &Welding-Drilling				8,390 00		PATHFINDER														
Tools&Equip Rntl Trkg &Welding-Drilling		Safety Equipment		190 00		PASON														
Tools&Equip Rntl Trkg &Welding-Drilling				512 70		FLAMING EAGLE														
Cementing - Surface & Intermediate Casing		Fluid Caliper		300 00		DAVIS FLUID CALIPER														
Casing		Intermediate		2,518 95		DAVIS-LYNCH														
Drilling Mud & Additives		Diesel, Oil mud		12,657.14		THOMAS PETROLEUM														
Casing		Casing Crews		1,725 00		ALLEN'S CASING														
Casing		Casing Crews		1,904 00		ALLEN'S CASING														
Daily Contacts																				
Job Contact		Company		Phone Mobile																
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418																
Job Contact		Company		Phone Mobile																
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114																



Yates Daily Drilling Report

Report Date: 11/10/2007

GLOW WORM ALX FEDERAL #12

Report #: 34.0

Day # 7

Safety Incidents							
Date	Category	Type	Subtype	Severity	Cause	Lost time?	
11/9/2007 18:30	Non-Recordable	Near Miss	Other	No Treatment	Human	No	
Ops Function Drilling		Witness		Comment DRILLER FAILED TO PULL ROTATING HEAD, RESULTING IN ATTEMPTING TO PULL 11" REAMER THROUGH HEAD, BRAKING ELE & DROPPING BHA			
Mud Additive Amounts							
Description			Type	Consumed	Units		
Salt Water Gel				40 0	sacks		
Casing Strings							
Casing Description		Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)	
Conductor		10/26/2007 12 00	18 0	58 0	20	19 124	
Casing Description		Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)	
Surface		11/4/2007 00 45	18.0	560 0	13 3/8	12 715	
General - Rig - Original Hole							
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location		Hole Direction	Job		
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D		VERTICAL	New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00		
Survey Data							
Date	Description	Measured Depth (ftKB)	Inclination (°)	Azimuth (°)			
	General - Rig						

Hole Direction	VERTICAL - Original Hole, 11/10/2007 5:59
ftKB (MD)	Schematic - Actual
-5	
0	
18	Original Hole, 26, 18-58
58	Conductor, 18-58
100	Conductor, 20, 18, 40 0
513	Original Hole, 17 1/2, 58-560
515	
550	
559	
560	Surface, 18-560
	Surface, 13 3/8, 18, 542 0
2,200	Original Hole, 11, 560-4,078
4,050	
4,078	TD, 4,078, 11/4/2007
7,400	
8,200	



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Report Date: 11/10/2007

Report #: 34.0

GLOW WORM ALX FEDERAL #12

Day # 7

Bit Record					API/UWI		County		State		Surface Legal Location				
Bit Number	Drill Bit	Dull Out	Nozzles (7/32")		3001535314		EDDY		NEW MEXICO		SEC 3/TWN 23S/RNG 31E/UNT D				
Depth in (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	Operator		Hole Direction		N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev	
					YATES PETROLEUM CORP		VERTICAL		330 0	FNL	330 0	FWL	3,404 00	3,422 00	
Jobs															
AFE Number		Total AFE Amount		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location				Drill Hrs			
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D				91 50			
Daily Cost Total					Cum Cost To Date					Daily Mud Cost					
26,080 00					278,415 37					Mud Additive Cost To Date					
Day No					Report End Date					Formation at Report Time					
7					11/10/2007 05 59					TOP OF SALT					
Hole Direction: VERTICAL - Original Hole, 11/10/2007 5 59					Lithology					Present Operations					
ftKB (MD)					Schematic - Actual					FISHING					
Depth End (ftKB)					Depth Start (ftKB)					Depth Progress (ft)					
4,078 0					4,078 0					0 00					
Drilling Hours (hrs)					Average ROP (ft/hr)										
Remarks					LAY DOWN TOOLS & FISH										
Avg Background Gas (unit)					Max Background Gas (unit)					Avg Connection Gas (unit)					
Avg Trip Gas (unit)					Max Trip Gas (unit)					Flare					
Mud Checks															
Weight (lb/gal)					Chlorides (ppm)					Calcium (ppm)					
10 10					188,000					0 3					
Solids (%)					LCM										
Funnel Viscosity (s/qt)					PV (cp)					YP (lb/100ft)					
28										Get 10 sec (lb/100ft)					
Water Loss (ml/30min)					Filter Cake (3/32")					KCl (%)					
11 0										Percent Oil (%)					
Time Log															
Start Time		Dur (hrs)		End Time		Cum Dur (hrs)		Time Code		Depth Start (ftKB)		Depth End (ftKB)		Comment	
06 00		2 50		08 30		2 50		NU BOP & WELLHEAD		4,078 0		4,078 0		NU ROTATING HEAD	
08 30		5 50		14 00		8 00		TRIP IN		4,078 0				MAKEUP FISHING TOOLS	
14 00		0 75		14 45		8 75		FISHING		4,078 0				CUT OVER NUBBIN @ 3934'	
14 45		1 75		16 30		10 50		CIRCULATE		4,078 0				CIRCULATE OUT SWEEP	
16 30		2 00		18 30		12 50		TRIP OUT		4,078 0				LAY DOWN MILL SHOE	
18 30		4 25		22 45		16 75		TRIP IN		4,078 0				MAKEUP OVERSHOT	
22 45		1 25		00 00		18 00		FISHING		4,078 0				WORK OVER FISH, HIT JARS ONCE	
00 00		3 50		03 30		21 50		TRIP OUT		4,078 0				C-O-O-H WITH FISH	
03 30		2 50		06 00		24 00		FISHING		4,078 0				LAY DOWN TOOLS & FISH	
Daily Costs															
Cost Description					Cost Details					Cost					
Supervision & Overhead - Drilling										1,000 00 RGI INC					
Drilling, Daywork										16,500 00 SILVER OAK DRILLING					
Tools & Equip										8,390 00 PATHFINDER					
Rnttl Trkg & Welding - Drilling										190 00 PASON					
Tools & Equip					Safety Equipment										
Daily Contacts															
Job Contact					Company					Phone Mobile					
GENE CUTRELL, DRILLING CONSULTANT					RGI					575-369-6418					
Job Contact					Company					Phone Mobile					
RIG FLOOR - 6, RIG PHONE					SILVER OAK					505-513-2114					
Job Contact					Company					Phone Mobile					
MARGRETHE HOTTER, ENGINEER					YATES					505-703-0749					
Job Contact					Company					Phone Mobile					
RAY PODANY, GEOLOGIST					YATES					505-365-4190					
Job Contact					Company					Phone Mobile					
JANET RICHARDSON, LANDMAN					YATES										
Rigs															
Rig Contractor					Rig Number					KB from GL (ft)					
SILVER OAK DRILLING COMPANY					6					18 00					
Rig Type					Drilling - Tnple										
Mud Pumps - 1															
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)					
1		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str		100% (bbl/s)					
6 1/2		10/19/2007 06 00		10/1/2008 05 59				0 092							
Pump Checks															
Pump Number		Date		Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)					
1		11/10/2007 05 59		4,078 0		No		100		250.0					
Mud Pumps - 2															
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)					
2		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str		100% (bbl/s)					
6 1/2		10/19/2007 06 00		10/1/2008 05 59				0 092							
Safety Checks															
Date		Description		Type		Comment									



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Rigs	
Rig Contractor SILVER OAK DRILLING COMPANY	Rig Number 6
KB from GL (ft) 18 00	Rig Type Drilling - Tnple

Mud Pumps - 1	
No 1	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 6 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 0 092

Pump Checks	
Pump Number 1	Date 11/11/2007 05 59
Depth (ftKB) 4,078 0	Slow Spd No
Strokes (spm) 100	Pressure (psi) 1,200 0

Mud Pumps - 2	
No 2	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 6 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 0 092

Pump Checks	
Pump Number 2	Date 11/11/2007 05 59
Depth (ftKB) 4,078 0	Slow Spd No
Strokes (spm) 100	Pressure (psi) 1,200 0

Safety Checks	
Date 11/11/2007 05.59	Description H2S AWARENESS
Type H2S	Comment CASING CREW, RIG CREWS, & LAY DOWN HANDS

Mud Additive Amounts	
Description Lime	Type Alkalinity control
Consumed 2 0	Units sacks
Description Salt Water Gel	Type
Consumed 45 0	Units sacks

Drill Strings: BHA #9, Slick	
Bit Number 4	Drill Bit Set # 4 - 11 MBP11G MB560
Depth In (ftKB) 4,078 0	Depth Out (ftKB) 4,080 0
Drilled (ft) 2 00	Drill Time (hrs) 0 50
BHA ROP (ft) 4.0	
String Length (ft) 4,086 35	String Wt (1000lb) 63
OD (in) 6 500	ADC Bit Dull 4-4-BT-A-4-0-
TFA (in) Nozzles 1/32"	

<Parameter Type> - Drilling Parameters 4,078.0 ftKB - 4,080.0 ftKB -	
WOB (1000lb) 10	RPM (rpm) 65
Motor R 65	SPP (psi) 1,200 0
Q (flow) (g) 555	Rot String Wt (t) 110
PU Str Wt (100) 110	SO Str Wt (100) 110

Item Description	OD (in)	ID (in)	Grade	Mass/Len (lbs/ft)	Top Thread	Len (ft)	Jts
Drill Pipe	4 1/2	3 826	E	16 60		3,611.80	116
Drill Collar	6 1/2	2 875				398 61	13
Reamer	6 1/2	2 500				6 65	1
Drill Collar	6	1 750		88 03		30.48	1
Reamer	6 1/2	2 500				6.64	1
Float Sub	6 1/2	2 813				3 49	1
Mud Motor	6 1/2	2 500				27 18	1

Casing Strings	
Casing Description Conductor	Run Date 10/26/2007 12 00
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 58 0
OD (in) 20	ID (in) 19 124
Casing Description Surface	Run Date 11/4/2007 00:45
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 560 0
OD (in) 13 3/8	ID (in) 12 715

General - Rig - Original Hole	
Wellbore Name Original Hole	Parent Wellbore Original Hole
Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D	Hole Direction VERTICAL
Job New Drilling, New Well, Drilling & Completions on 7/27/2007 06.00	

Survey Data	
Date	Description General - Rig
Measured Depth (ftKB)	Inclination (°)
Azimuth (°)	

Hole Direction: VERTICAL - Original Hole, 11/11/2007 5.59 ftKB (MD)	
Schematic - Actual	
-5	
0	
18	Original Hole, 26, 18-58
58	Conductor, 18-58
100	Conductor, 20, 18, 40 0
513	Original Hole, 17 1/2, 58-560
515	
550	
559	
560	Surface, 18-560
2,200	Surface, 13 3/8, 18, 542 0
4,050	Original Hole, 11, 560-4,078
4,078	TD, 4,078, 11/4/2007
4,080	Intermediate, 18-4,080
7,400	
8,200	



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Day # 8

Bit Record					API/UWI		County		State		Surface Legal Location				
Bit Number	Drill Bit	Dull Out	Nozzles (/32")												
4	Bit # 4 - 11, MHP11G, MB5660	4-4-B			3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D							
Operator					Hole Direction		N/S Dist	N/S Ret	E/W Dist	E/W Ret	Gr Elev (ft)	Orig KB Elev			
YATES PETROLEUM CORP					VERTICAL		330 0	FNL	330 0	FWL	3,404 00	3,422 00			
Depth In (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	Jobs										
4,078 0	4,080 0	2 00	0 50	4 0											
AFE Number					Total AFE Amount		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location			Drill Hrs	
073230					1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D			91 50	
Daily Cost Total					Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date						
67,555 63					345,971 00				17,831 14						
Day No					Report End Date		Formation at Report Time		Lithology		Present Operations				
8					11/11/2007 05 59		TOP OF SALT				WAIT ON CEMENT				
Hole Direction: VERTICAL - Original Hole, 11/11/2007 5 59: HKB (MD)					Schematic - Actual										
Depth End (ftKB)					Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)				
4,080 0					4,078 0		2 00		0 50		4 0				
Remarks															
W O C															
Avg Background Gas (funit)				Max Background Gas (funit)				Avg Connection Gas (funit)				Max Connection Gas (funit)			
Avg Trip Gas (funit)				Max Trip Gas (funit)				Flare							
Mud Checks															
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM							
10 10		188,000				0 3									
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft)		Gel 10 sec (lb/100ft)		Gel 10 min (lb/100ft)		pH					
28										10 5					
Water Loss (ml/30min)		Filter Cake (/32")		KCl (%)		Percent Oil (%)									
Comment															
Time Log															
Start Time		Dur (hrs)		End Time		Cum Dur (hrs)		Time Code		Depth Start (ftKB)		Depth End (ftKB)		Comment	
06:00		3 75		09 45		3 75		TRIP OUT		4,078 0		4,078 0		LAY DOWN FISH & TOOLS	
09 45		3 50		13 15		7 25		TRIP IN		4,078 0		4,078 0		MAKE UP BIT & JUNK BASKET	
13 15		0 75		14 00		8 00		WASH TO BOTTOM		4,078 0		4,080 0		WORK JUNK BASKET	
14 00		1 25		15 15		9 25		CIRCULATE		4,080 0				CIRCULATE & SPOT SWEEP ON BOTTOM	
15 15		1 75		17 00		11 00		TRIP OUT		4,080 0		4,080 0		CLEAN JUNK BASKET	
17 00		2 00		19 00		13 00		RIG UP EQUIPMENT		4,080 0				CASING CREW & LAY DOWN MACHINE	
19 00		4 50		23 30		17 50		RUN CASING		4,080 0		4,080 0		NOTIFIED BLM TO WITNESS CEMENT JOB	
23 30		3 50		03 00		21 00		CEMENTING		4,080 0					
03 00		3 00		06 00		24 00		WAIT ON CEMENT		4,080 0		4,080 0		LEAD-1100 SKS 35 65 6% POZC, 6%D020, 5%D024, ... / TAIL 200 SKS C, 1% SOO1 PLUG DOWN @ 03 00 AM MDT ON 11/11/07 WITH 500 PSI OVER, CIRCULATE 85 SKS, GOOD RETURNS	
Daily Costs															
Cost Description				Cost Details				Cost		Vendor					
Supervision & Overhead - Drilling								1,000 00		RGI INC					
Drilling, Daywork								16,500 00		SILVER OAK DRILLING					
Tools&Equip Rntl Trkg & Welding-Drilling								10,120 00		PATHFINDER					
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment				190 00		PASON					
Tools&Equip Rntl Trkg & Welding-Drilling								512 70		FLAMING EAGLE					
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment				1,248 24		CALLAWAY SAFETY					
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment				340 00		CALLAWAY SAFETY					
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment				175 00		CALLAWAY SAFETY					
Tools&Equip Rntl Trkg & Welding-Drilling								195 00		LIGHT TOWER					
Cementing - Surface & Intermediate Casing								33,066 69		DOWELL SCHLUMBERGER					
Casing				Casing Crews				2,000 00		ALLEN'S CASING					
Casing				Casing Crews				2,208 00		ADOBE DRILLING					
Daily Contacts															
Job Contact				Company				Phone Mobile							
GENE CUTRELL, DRILLING CONSULTANT				RGI				575-369-6418							
Job Contact				Company				Phone Mobile							
RIG FLOOR - 6, RIG PHONE				SILVER OAK				505-513-2114							
Job Contact				Company				Phone Mobile							
MARGRETHE HOTTER, ENGINEER				YATES				505-703-0749							
Job Contact				Company				Phone Mobile							
RAY PODANY, GEOLOGIST				YATES				505-365-4190							
Job Contact				Company				Phone Mobile							
JANET RICHARDSON, LANDMAN				YATES											



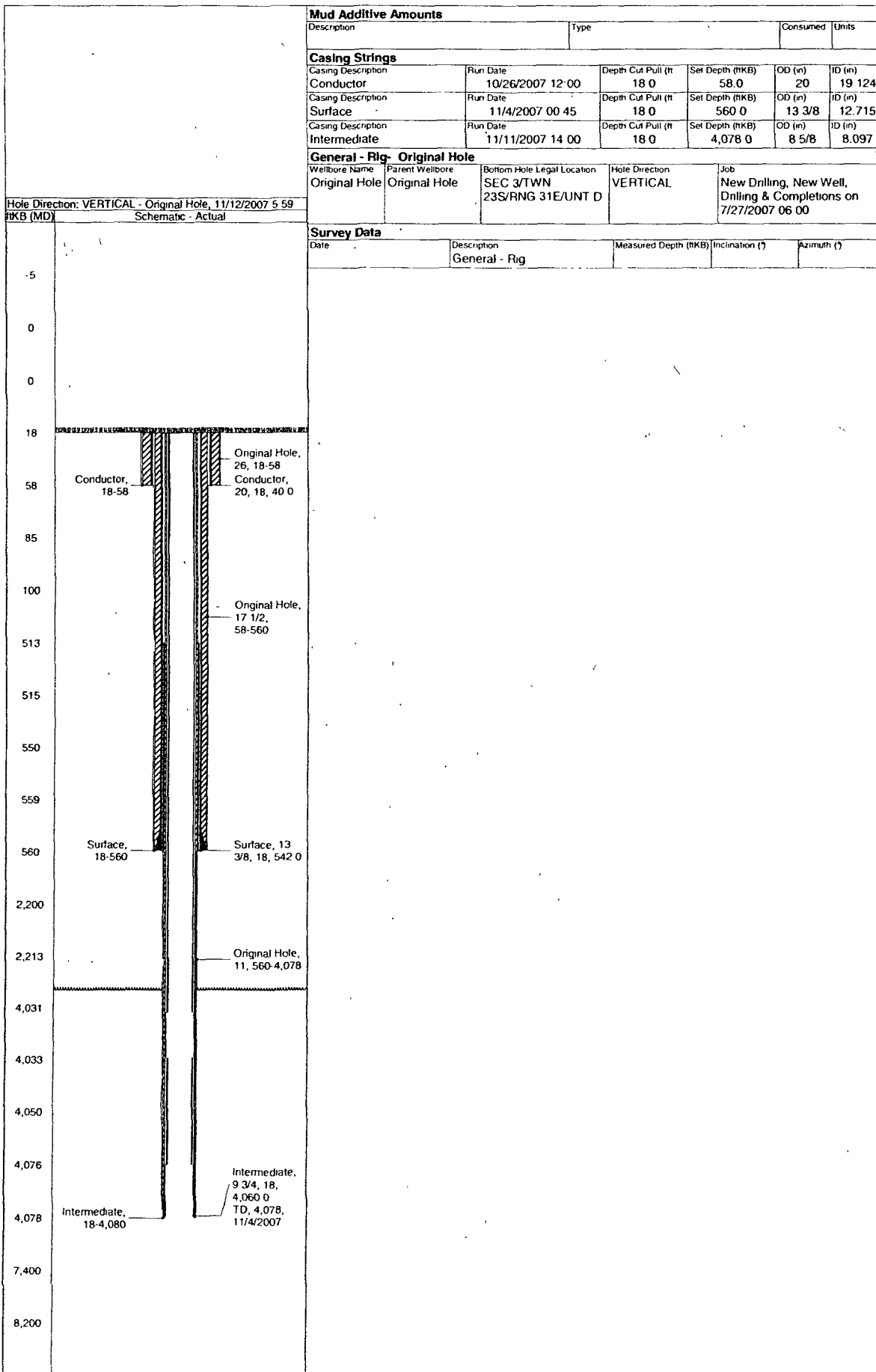
Yates Daily Drilling Report

Report Date: 11/12/2007

GLOW WORM ALX FEDERAL #12

Report #: 36.0

Day # 9





Yates Daily Drilling Report

Report Date: 11/12/2007

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GLOW WORM ALX FEDERAL #12

Day # 9

Bit Record					API/JWI		County		State		Surface Legal Location				
Bit Number	Drill Bit	Dull Out	Nozzles (3/32")		3001535314		EDDY		NEW MEXICO		SEC 3/TWN 23S/RNG 31E/UNT D				
Depth in (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	Operator		Hole Direction		N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev	
					YATES PETROLEUM CORP		VERTICAL		330 0	FNL	330 0	FWL	3,404 00	3,422 00	
Jobs															
AFE Number		Total AFE Amount		Tgt Depth (ftKB)		Target Formation		Bottom Hole Legal Location					Drill Hrs		
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D					91 50		
Daily Cost Total			Cum Cost To Date			Daily Mud Cost			Mud Additive Cost To Date						
175,383 56			521,354 56									17,831 14			
Day No		Report End Date		Formation at Report Time		Lithology		Present Operations							
9		11/12/2007 05 59		BASE OF SALT				WAIT ON EQUIPMENT							
Hole Direction VERTICAL - Original Hole, 11/12/2007 5 59: (ftKB (MD)) Schematic - Actual															
Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)							
4,080 0		4,080 0		0 00											
Remarks															
PICK UP BHA															
Avg Background Gas (unit)		Max Background Gas (unit)		Avg Connection Gas (unit)		Max Connection Gas (unit)									
Avg Trip Gas (unit)		Max Trip Gas (unit)		Flare											
Mud Checks															
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM							
8 70		30,000													
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft ²)		Gel 10 sec (lb/100ft ²)		Gel 10 min (lb/100ft ²)		pH		8 0			
28															
Water Loss (mL/30min)		Filter Cake (3/32")		KC (%)		Percent Oil (%)									
Comment															
Time Log															
Start Time		Dur (hrs)		End Time		Cum Dur (hrs)		Time Code		Depth Start (ftKB)		Depth End (ftKB)		Comment	
06 00		9 00		15 00		9 00		WAIT ON CEMENT		4,080 0		4,080 0		JET PITS & CHANGE LINERS ON PUMPS TO 6 50	
15 00		4 00		19 00		13 00		CUT OFF CASING/WELD ON WELLHEAD		4,080 0		4,080 0			
19 00		5 00		00 00		18 00		NIPPLE UP/DOWN BOP STACK		4,080 0		4,080 0		NIPPLE UP BOP & CHOKE MANIFOLD	
00 00		3 50		03 30		21 50		TEST BOP		4,080 0		4,080 0		TEST BOP, CHOKE & ANNULAR	
03 30		1 50		05 00		23 00		PICK UP BHA		4,080 0		4,080 0		START PICKING UP BHA	
05 00		1 00		06 00		24 00		WAIT ON EQUIPMENT		4,080 0		4,080 0		W-O-CROWS FOOT FOR FLOAT SUB	
Daily Costs															
Cost Description		Cost Details		Cost		Vendor									
Supervision & Overhead - Drilling				1,000 00		RGI INC									
Drilling, Daywork				16,500 00		SILVER OAK DRILLING									
Tools&Equip. Rntl Trkg & Welding-Drilling		Safety Equipment		190 00		PASON									
Tools&Equip. Rntl Trkg & Welding-Drilling		Safety Equipment		175 00		CALLAWAY SAFETY									
Tools&Equip. Rntl Trkg & Welding-Drilling		Yellow Jacket		2,025 00		MAN WELDING									
Casing		Intermediate		73,234 56		YATES YARD									
Supervision & Overhead - Drilling		Trailer Rental		65 00		CHARLIE'S ROUSTABOUT SERVICE									
Drilling, Daywork		Mobilization		82,194 00		WILBANKS TRUCKING									
Daily Contacts															
Job Contact		Company		Phone Mobile											
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418											
Job Contact		Company		Phone Mobile											
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114											
Job Contact		Company		Phone Mobile											
MARGRETHE HOTTER, ENGINEER		YATES		505-703-0749											
Job Contact		Company		Phone Mobile											
RAY PODANY, GEOLOGIST		YATES		505-365-4190											
Job Contact		Company		Phone Mobile											
JANET RICHARDSON, LANDMAN		YATES													
Rigs															
Rig Contractor		Rig Number		KB from GL (ft)		Rig Type									
SILVER OAK DRILLING COMPANY		6		18 00		Drilling - Tnple									
Mud Pumps - 1															
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)					
1		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Stk		100% (bbls)					
6 1/2		10/19/2007 06 00		10/1/2008 05 59						0 092					
Mud Pumps - 2															
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)					
2		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2					
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Stk		100% (bbls)					
6 1/2		10/19/2007 06 00		10/1/2008 05 59						0 092					
Safety Checks															
Date		Description		Type		Comment									



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GLOW WORM ALX FEDERAL #12

Day # 10

Liner Size (in)	6 1/2	Start Date	10/19/2007 06 00	End Date	10/1/2008 05 59	Maximum Pressure (psi)	Vol/Str - 100% (bb/s)
Pump Checks							
Pump Number	1	Date	11/13/2007 05 00	Depth (ftKB)	4,437 0	Slow Spd	No
Mud Pumps - 2							
No	2	Start Date	10/19/2007 06 00	Make	Continental Emsco	Model	F 800
Liner Size (in)	6 1/2	Start Date	10/19/2007 06 00	End Date	10/1/2008 05 59	Maximum Pressure (psi)	Vol/Str - 100% (bb/s)
Pump Checks							
Pump Number	2	Date	11/13/2007 05 59	Depth (ftKB)	4,437 0	Slow Spd	No
Safety Checks							
Date							
Description							
Type							
Comment							
Mud Additive Amounts							
Description							
Type							
Consumed							
Units							
Drill Strings: BHA #11, Packed Hole							
Bit Number	5	Drill Bit	7 7/8 EMT1668 3834F	Depth In (ftKB)	4,080 0	Depth Out (ftKB)	4,437 0
String Length (ft)	4,397 70	String Wt (1000lb)	103	OD (in)	6 500	IADC Bit Dull	TFA (in)
Drill Form - Drilling Parameters 4,080.0 ftKB - 4,437.0 ftKB -							
WOB (1000lb)	12	RPM (rpm)	60	Motor R	62	SPP (psi)	975 0
Q (flow) (g)	388	Rot String Wt (100)	111	SO Str Wt (100)	102		
Item Description							
OD (in)	ID (in)	Grade	Mass/Len (lb/ft)	Top Thread	Len (ft)	Jts	
Drill Pipe	4 1/2	3 826	E	16 60	3,923 80	126	
Drill Collar	6 1/2	1 750		88 03	398 61	13	
Reamer	6 1/2	2 500			6 65	1	
Drill Collar	6	1 750		88 03	30 48	1	
Reamer	6 1/2	2 500			6 64	1	
Float Sub	6 1/2	2 813			3 49	1	
Mud Motor	6 1/2	2 500			27 18	1	
Casing Strings							
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)		
Conductor	10/26/2007 12 00	18 0	58 0	20	19 124		
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)		
Surface	11/4/2007 00 45	18 0	560 0	13 3/8	12 715		
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)		
Intermediate	11/11/2007 14 00	18 0	4,078 0	8 5/8	8 097		
General - Rig - Original Hole							
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location	Hole Direction	Job			
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL	New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00			
Survey Data							
Date	11/13/2007 4 00 00 AM	Description	General - Rig	Measured Depth (ftKB)	4,275 00	Inclination (°)	1 50
Azimuth (°)							



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GLOW WORM ALX FEDERAL #12

Day # 10

Bit Record					API/UWI	County	State	Surface Legal Location						
Bit Number 5	Drill Bit Bit # 5 - 7 7/8, EMS1666B, 3834F	Drill Out -----	Nozzles (32") 16/16/16/16/1		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D						
Operator YATES PETROLEUM CORP					Hole Direction VERTICAL		N/S Dist 330 0	N/S Ref FNL	E/W Dist 330 0	E/W Ref FWL	Gr Elev (ft) 3,404 00	Orig KB Elev 3,422 00		
Depth In (ftKB) 4,080 0	Depth Out (ft) 4,437 0	Depth Drill 357 00	Job Drill Hr 14 00	Avg ROP 25 5	Jobs									
AFE Number 073230					Total AFE Amount 1,983,700 00		Tgt Depth (ftKB) 8,200 0		Target Formation BONE SPRINGS		Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D		Drill Hrs 105 50	
Daily Cost Total 38,576 68					Cum Cost To Date 559,931 24		Daily Mud Cost		Mud Additive Cost To Date 17,831 14					
Day No 10					Report End Date 11/13/2007 05 59		Formation at Report Time BELL CANYON		Lithology		Present Operations DRILLING			
Hole Direction: VERTICAL - Original Hole, 11/13/2007 5 59 ftKB (MD)					Schematic - Actual		Depth End (ftKB) 4,437 0		Depth Start (ftKB) 4,080 0		Depth Progress (ft) 357 00		Drilling Hours (hrs) 14 00	Average ROP (ft/hr) 25 5
Remarks DRILLING														
Avg Background Gas (unit) 0 00				Max Background Gas (unit) 0 00				Avg Connection Gas (unit) 30 00				Max Connection Gas (unit) 40 00		
Avg Trip Gas (unit) 0 00				Max Trip Gas (unit) 0 00				Flare						
Mud Checks														
Weight (lb/gal) 8 70				Chlorides (ppm) 30,000				Calcium (ppm)				Solids (%)		LCM
Funnel Viscosity (s/qt) 28				PV (cp) YP (lb/100ft) Get 10 sec (lb/100ft) Get 10 min (lb/100ft)				pH 11 0						
Water Loss (ml/30min)				Filter Cake (32")				KCl (%)				Percent Oil (%)		
Comment BRINE CUT														
Time Log														
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment							
06 00	3 00	09 00	3 00	WAIT ON EQUIPMENT	4,080 0		W-O-CROWS FOOT							
09 00	4 00	13 00	7 00	TRIP IN	4,080 0		FINISH PICKING UP BHA & TRIP IN HOLE							
13 00	1 25	14 15	8 25	DRILL CEMENT AND/OR FLOAT EQUIPMENT			TAG CEMENT @ 4026							
14 15	0 50	14 45	8 75	CIRCULATE	4,080 0	4,085 0	CIRCULATE BEFORE TESTING CASING SHOE & FORMATION							
14 45	0 50	15 15	9 25	TEST CASING	4,085 0		TEST CASING SHOE & FORMATION TO 1000 PSI / OK							
15 15	12 75	04 00	22 00	DRILLING	4,085 0	4,344 0	DRILL NEW HOLE							
04 00	0 75	04 45	22 75	SURVEY - WIRELINE	4,344 0		WLS @ 4275', 1 50'							
04 45	1 25	06 00	24 00	DRILLING	4,344 0	4,437 0	DRILL NEW HOLE							
Daily Costs														
Cost Description				Cost Details		Cost		Vendor						
Supervision & Overhead - Drilling						1,000 00		RGI INC						
Drilling, Daywork						16,500 00		SILVER OAK DRILLING						
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment		190 00		PASON						
Tools&Equip Rntl Trkg & Welding-Drilling				Safety Equipment		175 00		CALLAWAY SAFETY						
Supervision & Overhead - Drilling				Trailer Rental		65 00		CHARLIE'S ROUSTABOUT SERVICE						
Location, Right-of-Way				Fencing & Pit Lining		10,589 33		DUDLEY SALES & SERVICE						
Drilling Water, Fasline Rental				Water Hauling		6,051 50		JIM'S WATER SERVICE						
Tools&Equip Rntl Trkg & Welding-Drilling				Down Hole Equip, B O P Rental		2,560 00		PATHFINDER						
Tools&Equip Rntl Trkg & Welding-Drilling						250 00		PATHFINDER						
Tools&Equip Rntl Trkg & Welding-Drilling						811 77		FLAMING EAGLE						
Tools&Equip Rntl Trkg & Welding-Drilling						384 08		JOE'S INSPECTION						
Daily Contacts														
Job Contact GENE CUTRELL, DRILLING CONSULTANT				Company RGI				Phone Mobile 575-369-6418						
Job Contact RIG FLOOR - 6, RIG PHONE				Company SILVER OAK				Phone Mobile 505-513-2114						
Job Contact MARGRETHE HOTTER, ENGINEER				Company YATES				Phone Mobile 505-703-0749						
Job Contact RAY PODANY, GEOLOGIST				Company YATES				Phone Mobile 505-365-4190						
Job Contact JANET RICHARDSON, LANDMAN				Company YATES				Phone Mobile						
Rigs														
Rig Contractor SILVER OAK DRILLING COMPANY				Rig Number 6		KB from GL (ft) 18 00		Rig Type Drilling - Tnple						
Mud Pumps - 1														
No 1	Start Date 10/19/2007 06 00		Make Continental Emsco		Model F 800		Pwr (hp) 800 0		Rod Dia (in) 2 1/2					

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Report Printed: 11/13/2007



Yates Daily Drilling Report

Report Date: 11/14/2007

Report #: 38.0

GLOW WORM ALX FEDERAL #12

Day # 11

Bit Record					API/UWI	County	State	Surface Legal Location				
Bit Number 5	Drill Bit Bit # 5 - 7 7/8, EMS1666B, 3834F	Dull Out -----	Nozzles (1/32") 16/16/16/16/1		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D				
Operator YATES PETROLEUM CORP					Hole Direction VERTICAL		N/S Dist 330 0	N/S Ref FNL	E/W Dist 330 0	E/W Ref FWL	Gr Elev (ft) 3,404 00	Orig KB Elev 3,422 00
Depth In (ftKB) 4,080 0	Depth Out (ft) 5,806 0	Depth Drill 1,726 00	Job Drill Hr 35 75	Avg ROP 48 3								
Jobs												
AFE Number 073230		Total AFE Amount 1,983,700 00		Tgt Depth (ftKB) 8,200 0		Target Formation BONE SPRINGS		Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D			Drill Hrs 127 25	
Daily Cost Total 21,661 00			Turn Cost To Date 581,592 24			Daily Mud Cost			Mud Additive Cost To Date 17,831 14			
Day No 11		Report End Date 11/14/2007 05 59		Formation at Report Time		Lithology		Present Operations				
Hole Direction: VERTICAL - Original Hole, 11/14/2007 5:59:-- ftKB (MD) Schematic - Actual												
Depth End (ftKB) 5,806 0		Depth Start (ftKB) 4,437 0		Depth Progress (ft) 1,369 00		Drilling Hours (hrs) 21 75		Average ROP (ft/hr) 62 9				
Remarks												
Avg Background Gas (unit) 70 00			Max Background Gas (unit) 85 00			Avg Connection Gas (unit) 85 00			Max Connection Gas (unit) 120 00			
Avg Trip Gas (unit) 0 00			Max Trip Gas (unit) 0 00			Flare						
Mud Checks												
Weight (lb/gal) 8 70		Chlorides (ppm) 30,000		Calcium (ppm)		Solids (%) 0 3		LCM				
Funnel Viscosity (cSt) 28		PV (cp) 11 0		YP (lb/100ft ²)		Gel 10 sec (lb/100ft ²)		Gel 10 min (lb/100ft ²)				
Water Loss (mL/30min)		Filter Cake (32")		KCl (%)		Percent Oil (%)						
Comment												
Time Log												
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment					
06 00	2 75	08 45	2 75	DRILLING	4,437 0	4,593 0	DRILL NEW HOLE					
08 45	0 50	09 15	3 25	SERVICE RIG	4,593 0							
09 15	2 25	11 30	5 50	DRILLING	4,593 0	4,811 0	DRILL NEW HOLE					
11 30	0 75	12 15	6 25	SURVEY - WIRELINE	4,811 0		SURVEY @ 4740' - 1.00"					
12 15	7 00	19 15	13 25	DRILLING	4,811 0	5,308 0	DRILL NEW HOLE					
19 15	0 50	19 45	13 75	SURVEY - WIRELINE	5,308 0		SURVEY @ 5237' - 1 50"					
19 45	9 75	05 30	23 50	DRILLING	5,308 0	5,806 0	DRILL NEW HOLE					
05 30	0 50	06 00	24 00	SURVEY - WIRELINE	5,806 0		SURVEY @ 5734' - 50"					
Daily Costs												
Cost Description			Cost Details			Cost			Vendor			
Supervision & Overhead - Drilling						1,000 00			RGI INC			
Drilling, Daywork						16,500 00			SILVER OAK DRILLING			
Tools&Equip Rntl Trkg & Welding-Drilling			Safety Equipment			190 00			PASON			
Tools&Equip Rntl Trkg & Welding-Drilling			Safety Equipment			175 00			CALLAWAY SAFETY			
Supervision & Overhead - Drilling			Trailer Rental			65 00			CHARLIE'S ROUSTABOUT SERVICE			
Drilling Mud & Additives			Diesel, Oil mud			3,731 00			ARTESIA LUMBER COMPANY			
Daily Contacts												
Job Contact GENE CUTRELL, DRILLING CONSULTANT					Company RGI			Phone Mobile 575-369-6418				
Job Contact RIG FLOOR - 6, RIG PHONE					Company SILVER OAK			Phone Mobile 505-513-2114				
Job Contact MARGRETHE HOTTER, ENGINEER					Company YATES			Phone Mobile 505-703-0749				
Job Contact RAY PODANY, GEOLOGIST					Company YATES			Phone Mobile 505-365-4190				
Job Contact JANET RICHARDSON, LANDMAN					Company YATES			Phone Mobile				
Rigs												
Rig Contractor SILVER OAK DRILLING COMPANY					Rig Number 6		KB from GL (ft) 18 00		Rig Type Drilling - Triple			
Mud Pumps - 1												
No	Start Date	Make		Model	Pwr (hp)	Rod Dia (in)						
1	10/19/2007 06 00	Continental Emsco		F 800	800 0	2 1/2						
Liner Size (in)	Start Date	End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)						
6 1/2	10/19/2007 06 00	10/1/2008 05 59				0.092						
Pump Checks												
Pump Number	Date	Depth (ftKB)		Slow Spd	Strokes (spm)	Pressure (psi)						
1	11/14/2007 05 59	5,806 0		No	0	0 0						
Mud Pumps - 2												
No	Start Date	Make		Model	Pwr (hp)	Rod Dia (in)						
2	10/19/2007 06 00	Continental Emsco		F 800	800 0	2 1/2						
Liner Size (in)	Start Date	End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)						
6 1/2	10/19/2007 06 00	10/1/2008 05 59				0.092						
Pump Checks												
Pump Number	Date	Depth (ftKB)		Slow Spd	Strokes (spm)	Pressure (psi)						
2	11/14/2007 05 59	5,806 0		Yes	73	300 0						
Pump Number	Date	Depth (ftKB)		Slow Spd	Strokes (spm)	Pressure (psi)						
2	11/14/2007 05 59	5,806 0		No	105	1,000 0						

TD, 5,806, 11/14/2007



Yates Daily Drilling Report

Report Date: 11/15/2007

GLOW WORM ALX FEDERAL #12

Report #: 39.0

Day # 12

Pump Checks	
Pump Number	Date
2	11/15/2007 05:59
Depth (ftKB)	Slow Spd
6,698.0	No
Strokes (spm)	Pressure (psi)
0	0.0

Safety Checks			
Date	Description	Type	Comment

Mud Additive Amounts			
Description	Type	Consumed	Units
Lime	Alkalinity control	1.0	sacks
Caustic Soda	Alkalinity control	7.0	sacks
MF 55	Flocculant	8.0	gals

Hole Direction: VERTICAL - Original Hole, 11/15/2007 5:59
ftKB (MD) Schematic - Actual

Drill Strings: BHA #12, Packed Hole									
Bit Number	Drill Bit	Depth In (ftKB)	Depth Out (ftKB)	Drilled (ft)	Drill Time (hrs)	BHA ROP (ft/hr)			
5	Bit # 5 7 7/8 EMS1668 3834F	5,806.0	6,698.0	892.00	16.00	55.8			
String Length (ft)	String Wt (1000lb)	OD (in)	IADC Bit Dull	TFA (in')	Nozzles (32')				
6,670.07	141	6.500			16/16/16/16/16				

Drill Form - Drilling Parameters 5,806.0 ftKB - 6,698.0 ftKB -									
WOB (1000lb)	RPM (rpm)	Motor R	Bit RPM	SPP (psi)	Q (flow) (g)	Rot String Wt (100)	PU Str Wt (100)	SO Str Wt (100)	
30	65	62	127	1,150.0	388	144	152	138	

Item Description	OD (in)	ID (in)	Grade	Mass/Len (lbs/ft)	Top Thread	Len (ft)	Jts
Drill Pipe	4 1/2	3.826	E	16.60		6,196.17	199
Drill Collar	6 1/2	1.750		88.03		398.61	13
Reamer	6 1/2	2.500				6.65	1
Drill Collar	6	1.750		88.03		30.48	1
Reamer	6 1/2	2.500				6.64	1
Float Sub	6 1/2	2.813				3.49	1
Mud Motor	6 1/2	2.500				27.18	1

Casing Strings					
Casing Description	Run Date	Depth Cut Pull (ft)	Set Depth (ftKB)	OD (in)	ID (in)
Conductor	10/26/2007 12:00	18.0	58.0	20	19.124
Surface	11/4/2007 00:45	18.0	560.0	13 3/8	12.715
Intermediate	11/11/2007 14:00	18.0	4,078.0	8 5/8	8.097

General - Rig - Original Hole				
Wellbore Name	Parent Wellbore	Bottom Hole Legal Location	Hole Direction	Job
Original Hole	Original Hole	SEC 3/TWN 23S/RNG 31E/UNT D	VERTICAL	New Drilling, New Well, Drilling & Completions on 7/27/2007 06:00

Survey Data			
Date	Description	Measured Depth (ftKB)	Inclination (°)
11/14/2007 3:00:00 PM	General - Rig	6,232.00	1.50
			0.00

Conductor, 18-58

Original Hole, 26, 18-58

Conductor, 20, 18, 40.0

Original Hole, 17 1/2, 58-560

Surface, 18-560

Surface, 13 3/8, 18, 542.0

Original Hole, 11, 560-6,698

Intermediate, 18-4,080

Intermediate, 9 3/4, 18, 4,060.0

TD, 6,698, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/15/2007

Report #: 39.0

GLOW WORM ALX FEDERAL #12

Day # 12

Bit Record					API/UWI	County	State	Surface Legal Location														
Bit Number	Drill Bit	Dull Out	Nozzles (3/32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D														
5	Bit # 5 - 7 7/8, EMS1666B, 3834F		16/16/16/1		Operator	YATES PETROLEUM CORP	Hole Direction	VERTICAL	N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev								
4,080 0	Depth In (ft)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP	50 6			330 0	FNL	330 0	FWL	3,404 00	3,422 00								
Jobs																						
AFE Number		Total AFE Amount		Tgt Depth (ft)		Target Formation		Bottom Hole Legal Location					Drill Hrs									
073230		1,983,700 00		8,200 0		BONE SPRINGS		SEC 3/TWN 23S/RNG 31E/UNT D					143 25									
Daily Cost Total			Cum Cost To Date			Daily Mud Cost			Mud Additive Cost To Date													
18,830 00			600,422 24						21,562 14													
Day No		Report End Date		Formation at Report Time		Lithology		Present Operations														
12		11/15/2007 05 59		BELL CANYON		20% SHALE & 80 SAND		DRILL STEM TEST														
Hole Direction: VERTICAL - Original Hole, 11/15/2007 5.59... ftKB (MD) Schematic - Actual																						
Depth End (ftKB)															Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)	
6,698.0															5,806 0		892 00		16 00		55 8	
Remarks																						
DRILLING																						
Avg Background Gas (unit)				Max Background Gas (unit)				Avg Connection Gas (unit)				Max Connection Gas (unit)										
50 00				125 00				125 00				175 00										
Avg Trip Gas (unit)				Max Trip Gas (unit)				Flare														
510 00				510 00																		
Mud Checks																						
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM														
8 70		30,000		2,500		0 3																
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft)		Gel 10 sec (lb/100ft)		Gel 10 min (lb/100ft)		pH												
28										11 0												
Water Loss (mL/30min)		Filter Cake (3/32")		KCl (%)		Percent Oil (%)																
Time Log																						
Start Time		Dur (hrs)		End Time		Cum Dur (hrs)		Time Code		Depth Start (ftKB)		Depth End (ftKB)		Comment								
06 00		4 75		10 45		4 75		DRILLING		5,806 0		6,055 0		DRILL NEW HOLE								
10 45		0 50		11 15		5 25		SERVICE RIG		6,055 0												
11 15		4 00		15 15		9 25		DRILLING		6,055 0		6,303 0		DRILL NEW HOLE								
15 15		0 75		16 00		10 00		SURVEY - WIRELINE		6,303 0				SURVEY @ 6232' - 1.50"								
16 00		0 75		16 45		10 75		DRILLING		6,305 0		6,348 0		DRILL NEW HOLE								
16 45		0 50		17 15		11 25		RIG REPAIR		6,348 0				AIR LEAK ON ROTARY CLUTCH								
17 15		1 25		18 30		12 50		TRIP OUT		6,348 0				TOH INTO CASING FOR REPAIRS								
18 30		3 75		22 15		16 25		RIG REPAIR		6,348 0				REPLACE ROTARY CLUTCH								
22 15		0 75		23 00		17 00		TRIP IN		6,348 0				TIH AFTER RIG REPAIR								
23 00		0 50		23 30		17 50		CIRCULATE						WASH TO BOTTOM								
23 30		6 50		06 00		24 00		DRILLING		6,348 0		6,698 0		DRILL NEW HOLE								
Daily Costs																						
Cost Description					Cost Details					Cost		Vendor										
Supervision & Overhead - Drilling										1,000 00		RGI INC										
Drilling, Daywork										16,500 00		SILVER OAK DRILLING										
Tools&Equip Rntl Trkg & Welding-Drilling					Safety Equipment					190 00		PASON										
Tools&Equip Rntl Trkg & Welding-Drilling					Safety Equipment					175 00		CALLAWAY SAFETY										
Supervision & Overhead - Drilling					Trailer Rental					65 00		CHARLIE'S ROUSTABOUT SERVICE										
Tools&Equip Rntl Trkg & Welding-Drilling										900 00		ACT EQUIPMENT										
Daily Contacts																						
Job Contact					Company					Phone Mobile												
GENE CUTRELL, DRILLING CONSULTANT					RGI					575-369-6418												
Job Contact					Company					Phone Mobile												
RIG FLOOR - 6, RIG PHONE					SILVER OAK					505-513-2114												
Job Contact					Company					Phone Mobile												
MARGRETHE HOTTER, ENGINEER					YATES					505-703-0749												
Job Contact					Company					Phone Mobile												
RAY PODANY, GEOLOGIST					YATES					505-365-4190												
Job Contact					Company					Phone Mobile												
JANET RICHARDSON, LANDMAN					YATES																	
Rigs																						
Rig Contractor					Rig Number					KB from GL (ft)		Rig Type										
SILVER OAK DRILLING COMPANY					6					18 00		Drilling - Tnple										
Mud Pumps - 1																						
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)												
1		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2												
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)														
6 1/2		10/19/2007 06 00		10/1/2008 05 59				0 092														
Pump Checks																						
Pump Number		Date		Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)												
1		11/15/2007 05 59		6,698 0		No		105		1,150 0												
Pump Number		Date		Depth (ftKB)		Slow Spd		Strokes (spm)		Pressure (psi)												
1		11/15/2007 05 59		6,698 0		Yes		69		250 0												
Mud Pumps - 2																						
No		Start Date		Make		Model		Pwr (hp)		Rod Dia (in)												
2		10/19/2007 06 00		Continental Emsco		F 800		800 0		2 1/2												
Liner Size (in)		Start Date		End Date		Maximum Pressure (psi)		Vol/Str - 100% (bbl/s)														
6 1/2		10/19/2007 06 00		10/1/2008 05 59				0 092														

-5

0

0

18

28

58

85

100

513

515

550

559

560

2,200

2,213

4,031

4,033

4,050

4,076

4,078

6,224

6,623

6,629

6,660

6,666

6,670

6,697

6,698

7,400

8,200

Conductor, 18-58

Original Hole, 26, 18-58

Conductor, 20, 18, 40 0

Original Hole, 17 1/2, 58-560

Surface, 18-560

Surface, 13 3/8, 18, 542 0

Original Hole, 11, 560-6,698

Intermediate, 9 3/4, 18, 4,060 0

Intermediate, 18-4,080

TD, 6,698, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/16/2007

GLOW WORM ALX FEDERAL #12

Report #: 40.0

Day # 13

Rigs	
Rig Contractor SILVER OAK DRILLING COMPANY	Rig Number 6
KB from GL (ft) 18 00	Rig Type Drilling - Triple

Mud Pumps - 1	
No 1	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 6 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 100% (bbl/s) 0 092

Pump Checks	
Pump Number 1	Date 11/16/2007 05 59
Depth (ftKB) 7,721 0	Slow Spd No
Strokes (spm) 0	Pressure (psi) 0 0

Mud Pumps - 2	
No 2	Start Date 10/19/2007 06 00
Make Continental Emsco	Model F 800
Pwr (hp) 800 0	Rod Dia (in) 2 1/2
Liner Size (in) 6 1/2	Start Date 10/19/2007 06 00
End Date 10/1/2008 05 59	Maximum Pressure (psi) 100% (bbl/s) 0 092

Pump Checks	
Pump Number 2	Date 11/16/2007 05 59
Depth (ftKB) 7,721 0	Slow Spd Yes
Strokes (spm) 67	Pressure (psi) 250 0

Pump Checks	
Pump Number 2	Date 11/16/2007 05 59
Depth (ftKB) 7,721 0	Slow Spd No
Strokes (spm) 105	Pressure (psi) 1,225 0

Safety Checks	
Date 11/16/2007 05 59	Description RIG SAFETY INSPECTION
Type Other	Comment SAFETY PERSONAL FROM YATES, SILVER OAK, TOOLPUSHER & COMPANY MAN

Mud Additive Amounts	
Description Lime	Type Alkalinity control
Consumed 3 0	Units sacks
Description Caustic Soda	Type Alkalinity control
Consumed 10 0	Units sacks
Description MF 55	Type Flocculant
Consumed 15.0	Units gals
Description Salt Water Gel	Type
Consumed 52 0	Units sacks

Drill Strings: BHA #13, Packed Hole	
Bit Number 5	Drill Bit Bit # 5 - 7 7/8 EMS1660B 3834F
Depth In (ftKB) 6,698 0	Depth Out (ftKB) 7,721 0
Drilled (ft) 1,023 00	Drill Time (hrs) 21 75
BHA ROP (ft/hr) 47 0	
String Length (ft) 7,698 07	String Wt (1000lb) 158
OD (in) 6 500	IADC Bit Dull TFA (in) Nozzles (1/32") 16/16/16/16/16

Drill Form - Drilling Parameters 6,698.0 ftKB - 7,721.0 ftKB -	
WOB (1000lb) 30	RPM (rpm) 65
Motor R 62	Bit RPM 127
SPP (psi) 105 0	G (flow) (g) 388
Rot String Wt (lb) 156	PU Str Wt (100) 163
SO Str Wt (100) 148	
Item Description	OD (in)
ID (in)	Grade
Mass/Len (lb/ft)	Top Thread
Len (ft)	Jts
Drill Pipe	4 1/2
3 826 E	16 60
7,224 17	232
Drill Collar	6 1/2
1 750	88 03
398 61	13
Reamer	6 1/2
2 500	6 65
6 65	1
Drill Collar	6
1 750	88 03
30 48	1
Reamer	6 1/2
2 500	6 64
6 64	1
Float Sub	6 1/2
2 813	3 49
3 49	1
Mud Motor	6 1/2
2 500	27.18
27.18	1

Casing Strings	
Casing Description Conductor	Run Date 10/26/2007 12 00
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 58 0
OD (in) 20	ID (in) 19.124
Casing Description Surface	Run Date 11/4/2007 00 45
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 560 0
OD (in) 13 3/8	ID (in) 12 715
Casing Description Intermediate	Run Date 11/11/2007 14 00
Depth Cut Pull (ft) 18 0	Set Depth (ftKB) 4,078 0
OD (in) 8 5/8	ID (in) 8 097

General - Rig- Original Hole	
Wellbore Name Original Hole	Parent Wellbore Original Hole
Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D	Hole Direction VERTICAL
Job New Drilling, New Well, Drilling & Completions on 7/27/2007 06 00	

Survey Data	
Date 11/15/2007 9 00 00 AM	Description General - Rig
Measured Depth (ftKB) 6,732 00	Inclination (°) 0.75
Azimuth (°) 0 00	
Date 11/15/2007 9 00 00 PM	Description General - Rig
Measured Depth (ftKB) 7,262 00	Inclination (°) 0.50
Azimuth (°) 0 00	

Hole Direction: VERTICAL - Original Hole, 11/16/2007 5 59...
ftKB (MD) Schematic - Actual

Conductor, 18-58
Original Hole, 26, 18-58
Conductor, 20, 18, 40.0
Original Hole, 17 1/2, 58-560
Surface, 18-560
Surface, 13 -3/8, 18, 542 0
Intermediate, 9 3/4, 18, 4,060 0
Original Hole, 11, 560-7,721
TD, 7,721, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/16/2007

Report #: 40.0

GLOW WORM ALX FEDERAL #12

Day # 13

Bit Record					API/UI	County	State	Surface Legal Location								
Bit Number	Drill Bit	Dull Out	Nozzles (32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D								
5	Bit # 5 - 7 7/8, EMS1666B, 3834F		16/16/16/1		Operator	YATES PETROLEUM CORP	Hole Direction	VERTICAL	N/S Dist	N/S Ref	E/W Dist	E/W Ref	Gr Elev (ft)	Orig KB Elev		
4,080 0	Depth Out (ft)	7,721 0	Depth Drill	3,641 00	Job Drill Hr	73 50	Avg ROP	49 5	330 0	FNL	330 0	FWL	3,404 00	3,422 00		
Jobs					A/E Number	073230	Total A/E Amount	1,983,700 00	Tgt Depth (ftKB)	8,200 0	Target Formation	BONE SPRINGS	Bottom Hole Legal Location	SEC 3/TWN 23S/RNG 31E/UNT D	Drill Hrs	165 00
Daily Cost Total					26,166 33	Cum Cost To Date	626,588 57	Daily Mud Cost	2,054 00	Mud Additive Cost To Date	23,616 14					
Day No					13	Report End Date	11/16/2007 05 59	Formation at Report Time	BRUSHY CANYON	Lithology	20% SHALE & 80% SAND	Present Operations				DRILLING
Hole Direction					VERTICAL - Original Hole, 11/16/2007 5 59: (ftKB (MD))					Schematic - Actual						
Depth End (ftKB)					7,721 0	Depth Start (ftKB)	6,698 0	Depth Progress (ft)	1,023 00	Drilling Hours (hrs)	21 75	Average ROP (ft/hr)		47 0		
Remarks					DRILLING											
Avg Background Gas (unit)					100 00	Max Background Gas (unit)	350 00	Avg Connection Gas (unit)	120 00	Max Connection Gas (unit)	380 00					
Avg Trip Gas (unit)					0 00	Max Trip Gas (unit)	0 00	Flare								
Mud Checks					Weight (lb/gal)	8 80	Chlorides (ppm)	36,000	Calcium (ppm)	3,600	Solids (%)	0 3	LCM			
Funnel Viscosity (sq/pt)					28	PV (cp)		YP (lb/100ft)		Gel 10 sec (lb/100ft)		Gel 10 min (lb/100ft)		pH	10 5	
Water Loss (ml/30min)						Filter Cake (32")		KCl (%)		Percent Oil (%)						
Comment					WATER FLOW @ 14 / 18 BARRELS AN HOUR											
Time Log					Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment				
					06:00	0 75	06 45	0 75	DRILLING	6,698 0	6,740 0	DRILL NEW HOLE				
					06:45	0 50	07 15	1 25	SERVICE RIG	6,740 0						
					07:15	1 50	08 45	2 75	DRILLING	6,740 0	6,772 0	DRILL NEW HOLE				
					08:45	0 25	09 00	3 00	RIG REPAIR	6,772 0		REPAIR AIR LINE & TIGHTEN BOLTS ON ROTARY CLUTCH				
					09:00	0 50	09 30	3 50	DRILLING	6,772 0	6,803 0	DRILL NEW HOLE				
					09:30	0 75	10 15	4 25	SURVEY - WIRELINE	6,803 0		SURVEY @ 6732' - .75" / HAVE WATER FLOW OF 13 BARRELS AN HOUR				
					10:15	11 00	21 15	15 25	DRILLING	6,803 0	7,333 0	DRILL NEW HOLE & HAVE RIG SAFETY INSPECTION W/ JOSH (TP) GENE(CONS) TERRY(S O) & WADE(YATES SAFETY)				
					21:15	0 75	22 00	16 00	SURVEY - WIRELINE	7,333 0		SURVEY @ 7262' - 50"				
					22:00	8 00	06 00	24 00	DRILLING	7,333 0	7,721 0	DRILL NEW HOLE				
Daily Costs					Cost Description	Cost Details		Cost	Vendor							
					Supervision & Overhead - Drilling			1,000 00	RGI INC							
					Drilling, Daywork			16,500 00	SILVER OAK DRILLING							
					Tools&Equip Rntl Trkg & Welding-Drilling	Safety Equipment		190 00	PASON							
					Tools&Equip Rntl Trkg & Welding-Drilling	Safety Equipment		175 00	CALLAWAY SAFETY							
					Supervision & Overhead - Drilling	Trailer Rental		65 00	CHARLIE'S ROUSTABOUT SERVICE							
					Tools&Equip Rntl Trkg & Welding-Drilling			170 00	WEATHERFORD							
					Tools&Equip Rntl Trkg & Welding-Drilling			340 00	WEATHERFORD							
					Tools&Equip Rntl Trkg & Welding-Drilling			55 00	ACT EQUIPMENT							
					Drilling Water, Fasline Rental	Water Hauling		1,118 00	JIM'S WATER SERVICE							
					Mud Logging Unit, Sample Bags			950 00	MORECO							
					Mud Logging Unit, Sample Bags			1,900 00	MORECO							
					Casing Inspection - All Strngs			1,649 33	CHARLIE'S ROUSTABOUT SERVICE							
					Drilling Mud & Additives			2,054 00	ARTESIA LUMBER COMPANY							
Daily Contacts					Job Contact	Company		Phone Mobile								
					GENE CUTRELL, DRILLING CONSULTANT	RGI		575-369-6418								
					RIG FLOOR - 6, RIG PHONE	SILVER OAK		505-513-2114								
					MARGRETHE HOTTER, ENGINEER	YATES		505-703-0749								
					RAY PODANY, GEOLOGIST	YATES		505-365-4190								
					JANET RICHARDSON, LANDMAN	YATES										

Conductor, 18-58

Original Hole, 26, 18-58 Conductor, 20, 18, 40 0

Original Hole, 17 1/2, -58-560

Surface, 18-560

Surface, 13 3/8, 18, 542 0

Intermediate, 9 3/4, 18, 4,060 0

Original Hole, 11, 560-7,721

Intermediate, 18-4,080

TD, 7,721, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/17/2007

Report #: 41.0

GLOW WORM ALX FEDERAL #12

Day # 14

Mud Pumps - 1	
No	Start Date
1	10/19/2007 06:00
Make Continental Emsco	
Model F 800	
Pwr (hp) 800.0	
Rod Dia (in) 2 1/2	
Liner Size (in)	6 1/2
Start Date	10/19/2007 06:00
End Date	10/1/2008 05:59
Maximum Pressure (psi)	
Vol/Str - 100% (bbl/s)	.092

Pump Checks	
Pump Number	Date
1	11/17/2007 05:59
Depth (ftKB) 8,254.0	
Slow Spd No	
Strokes (spm) 105	
Pressure (psi) 1,200.0	

Pump Checks	
Pump Number	Date
1	11/17/2007 05:59
Depth (ftKB) 8,254.0	
Slow Spd Yes	
Strokes (spm) 69	
Pressure (psi) 250.0	

Mud Pumps - 2	
No	Start Date
2	10/19/2007 06:00
Make Continental Emsco	
Model F 800	
Pwr (hp) 800.0	
Rod Dia (in) 2 1/2	
Liner Size (in)	6 1/2
Start Date	10/19/2007 06:00
End Date	10/1/2008 05:59
Maximum Pressure (psi)	
Vol/Str - 100% (bbl/s)	.092

Pump Checks	
Pump Number	Date
2	11/17/2007 05:59
Depth (ftKB) 8,254.0	
Slow Spd No	
Strokes (spm) 0	
Pressure (psi) 0.0	

Safety Checks	
Date	Description

Mud Additive Amounts	
Description	Type
Salt Water Gel	Consumed 50.0 Units sacks
Yellow Starch	Consumed 58.0 Units sacks

Drill Strings: BHA #14, Packed Hole	
Bit Number	Drill Bit
5	7 7/8 EMS 166K 3034F
Depth In (ftKB) 7,721.0	
Depth Out (ftKB) 8,254.0	
Drilled (ft) 533.00	
Drill Time (hrs) 11.75	
BHA ROP (ft/hr) 45.4	
String Length (ft)	8,227.47
String Wt (1000lb)	166
OD (in)	6.500
IADC Bit Dull	
IFA (in)	16/16/16/16/16
Nozzles (1/32")	

Drill Form - Drilling Parameters 7,721.0 ftKB - 8,254.0 ftKB -								
WOB (1000lb)	RPM (rpm)	Motor R	Bit RPM	SPP (psi)	Q (flow) (g)	Rot String Wt (100)	PU Str Wt (100)	SO Str Wt (100)
30	65	62	127	1,200.0	388	163	169	160

Item Description		OD (in)	ID (in)	Grade	Mass/Len (lbs/ft)	Top Thread	Len (ft)	Jts
Drill Pipe		4 1/2	3.826	E	16.60		7,753.57	249
Drill Collar		6 1/2	1.750		88.03		398.61	13
Reamer		6 1/2	2.500				6.65	1
Drill Collar		6	1.750		88.03		30.48	1
Reamer		6 1/2	2.500				6.64	1
Float Sub		6 1/2	2.813				3.49	1
Mud Motor		6 1/2	2.500				27.18	1

Casing Strings	
Casing Description	Run Date
Conductor	10/26/2007 12:00
Depth Cut Pull (ft) 18.0	
Set Depth (ftKB) 58.0	
OD (in) 20	
ID (in) 19.124	
Casing Description	Run Date
Surface	11/4/2007 00:45
Depth Cut Pull (ft) 18.0	
Set Depth (ftKB) 560.0	
OD (in) 13 3/8	
ID (in) 12.715	
Casing Description	Run Date
Intermediate	11/11/2007 14:00
Depth Cut Pull (ft) 18.0	
Set Depth (ftKB) 4,078.0	
OD (in) 8 5/8	
ID (in) 8.097	

General - Rig - Original Hole	
Wellbore Name	Parent Wellbore
Original Hole	Original Hole
Bottom Hole Legal Location SEC.3/TWN 23S/RNG 31E/UNT D	
Hole Direction VERTICAL	
Job New Drilling, New Well, Drilling & Completions on 7/27/2007 06:00	

Survey Data	
Date	Description
11/16/2007 9:00:00 AM	General - Rig
Measured Depth (ftKB) 7,791.00	
Inclination (°) 1.75	
Azimuth (°) 0.00	

Hole Direction: VERTICAL - Original Hole, 11/17/2007 5:59...
ftKB (MD) Schematic - Actual

Conductor, 18-58

Original Hole, 26, 18-58
Conductor, 20, 18, 40.0

Original Hole, 17 1/2, 58-560

Surface, 18-560

Surface, 13 3/8, 18, 542.0

Intermediate, 9 3/4, 18, 4,060.0
Original Hole, 11, 560-8,254

Intermediate, 18-4,080

TD, 8,254, 11/4/2007



Yates Daily Drilling Report

Report Date: 11/17/2007

Report #: 41.0

GLOW WORM ALX FEDERAL #12

Day # 14

Bit Record					API/UWI	County	State	Surface Legal Location				
Bit Number	Drill Bit	Dull Out	Nozzles (1/32")		3001535314	EDDY	NEW MEXICO	SEC 3/TWN 23S/RNG 31E/UNT D				
5	Bit # 5 - 7 7/8, EMS1666B, 3834F		16/16/16/1		Operator YATES PETROLEUM CORP	Hole Direction VERTICAL	N/S Dist 330 0	N/S Ref FNL	E/W Dist 330 0	E/W Ref FWL	Gr Elev (ft) 3,404 00	Ong KB Elev 3,422 00
Depth In (ftKB)	Depth Out (ft)	Depth Drill	Job Drill Hr	Avg ROP								
4,080 0	8,254 0	4,174 00	85 25	49 0								
Jobs												
AFE Number 073230		Total AFE Amount 1,983,700 00		Tgt Depth (ftKB) 8,200 0		Target Formation BONE SPRINGS		Bottom Hole Legal Location SEC 3/TWN 23S/RNG 31E/UNT D			Drill Hrs 176 75	
Daily Cost Total		Cum Cost To Date		Daily Mud Cost		Mud Additive Cost To Date						
27,010 83		653,599 40		2,921 00		26,537 14						
Day No	Report End Date	Formation at Report Time		Lithology		Present Operations						
14	11/17/2007 05 59	BONE SPRINGS		10% SHALE & 90 % LIMESTONE		DRILLING						
Hole Direction: VERTICAL - Original Hole, 11/17/2007 5 59		Schematic - Actual										
ftKB (MD)		Depth End (ftKB)		Depth Start (ftKB)		Depth Progress (ft)		Drilling Hours (hrs)		Average ROP (ft/hr)		
		8,254 0		7,721 0		533 00		11 75		45 4		
Remarks												
DRILLING												
Avg Background Gas (unit)		Max Background Gas (unit)		Avg Connection Gas (unit)		Max Connection Gas (unit)						
50 00		125 00		175 00		175 00						
Avg Trip Gas (unit)		Max Trip Gas (unit)		Flare								
Mud Checks												
Weight (lb/gal)		Chlorides (ppm)		Calcium (ppm)		Solids (%)		LCM				
9 20		10,000		3,200		0 3						
Funnel Viscosity (s/qt)		PV (cp)		YP (lb/100ft ²)		Gel 10 sec (lb/100ft ²)		Gel 10 min (lb/100ft ²)		pH		
28										9 5		
Water Loss (mL/30min)		Filter Cake (32")		KCl (%)		Percent Oil (%)						
40 0												
Comment												
ADD 260 BBLS B/W TO SYSTEM RAISE WT & STOP WATER FLOW (NO FLOW)												
Time Log												
Start Time	Dur (hrs)	End Time	Cum Dur (hrs)	Time Code	Depth Start (ftKB)	Depth End (ftKB)	Comment					
06 00	2 25	08 15	2 25	DRILLING	7,721 0	7,862 0	DRILL NEW HOLE					
08 15	0 75	09 00	3 00	SERVICE RIG	7,862 0							
09 00	0 75	09 45	3 75	SURVEY - WIRELINE			SURVEY @ 7791' - 1 75'					
09 45	9 25	19 00	13 00	DRILLING	7,862 0	8,246 0	DRILL NEW					
19 00	0 50	19 30	13 50	CIRCULATE	8,246 0		PUMP SOFTLINE					
19 30	4 75	00 15	18 25	TRIP OUT			C-O-O-H SLOW, FOUND HOLE IN JOINT # 188					
00 15	0 50	00 45	18 75	CIRCULATE			PICKUP KELLY, CLEAR MOTOR & BIT / CHECK PSI (OK)					
00 45	1 00	01 45	19 75	TRIP IN			TRIP IN HOLE 5 STANDS					
01 45	1 75	03 30	21 50	CUT/SLIP DRILLING LINE			CUT 120' DRILLING LINE					
03 30	1 75	05 15	23 25	TRIP IN	8,246 0							
05 15	0 50	05 45	23 75	CIRCULATE	8,246 0		WASH TO BOTTOM					
05 45	0 25	06 00	24 00	DRILLING	8,246 0	8,254 0	DRILL NEW HOLE, TD WELL @ 8254' @ 05 58 AM MDT ON 11/17/2007					
Daily Costs												
Cost Description		Cost Details		Cost		Vendor						
Supervision & Overhead - Drilling				1,000 00		RGI INC.						
Drilling, Daywork				16,500 00		SILVER OAK DRILLING						
Tools&Equip Rnttl Trkg & Welding-Drilling		Safety Equipment		190 00		PASON						
Tools&Equip Rnttl Trkg & Welding-Drilling		Safety Equipment		175 00		CALLAWAY SAFETY						
Supervision & Overhead - Drilling		Trailer Rental		65 00		CHARLIE'S ROUSTABOUT SERVICE						
Tools&Equip Rnttl Trkg & Welding-Drilling				170 00		WEATHERFORD						
Mud Logging Unit, Sample Bags				950 00		MORECO						
Mud Logging Unit, Sample Bags				1,900 00		MORECO						
Casing				1,522 63		WEATHERFORD						
Drilling Water, Fastline Rental		Water Hauling		1,617 20		SERRIA TRUCKING						
Drilling Mud & Additives				2,921 00		ARTESIA LUMBER COMPANY						
Daily Contacts												
Job Contact		Company		Phone Mobile								
GENE CUTRELL, DRILLING CONSULTANT		RGI		575-369-6418								
Job Contact		Company		Phone Mobile								
RIG FLOOR - 6, RIG PHONE		SILVER OAK		505-513-2114								
Job Contact		Company		Phone Mobile								
MARGRETHE HOTTER, ENGINEER		YATES		505-703-0749								
Job Contact		Company		Phone Mobile								
RAY PODANY, GEOLOGIST		YATES		505-365-4190								
Job Contact		Company		Phone Mobile								
JANET RICHARDSON, LANDMAN		YATES										
Rigs												
Rig Contractor		Rig Number		KB from GL (ft)		Rig Type						
SILVER OAK DRILLING COMPANY		6		18 00		Drilling - Triple						

TD, 8,254, 11/4/2007