

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other  
Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resrv  
Other: \_\_\_\_\_

5 Lease Serial No

NM-117120 - BHL

6 If Indian, Allottee or Tribe Name

NA

2 Name of Operator

Yates Petroleum Corporation

7 Unit or CA Agreement Name and No

3 Address

105 S. 4th Str., Artesia, NM 88210

3a Phone No (include area code)

575-748-1471

8 Lease Name and Well No

Balsam BNL Federal Com #1H

4 Location of Well (Report location clearly and in accordance with Federal requirements)\*

9 API Well No.

30-015-37035

10. Field and Pool or Exploratory

Cedar Canyon; Bone Spring

11 Sec., T, R, M., on Block and Survey or Area

Section 8-T24S-R29E

12 County or Parish 13 State

Eddy

New Mexico

14 Date Spudded

RH 5/31/09 RT 6/28/09

15 Date T.D Reached

7/29/09

16 Date Completed

10/20/09

☐ D & A

☒ Ready to Prod

17. Elevations (DF, RKB, RT, GL)\*

2990'GL 3009'KB

18 Total Depth MD 11,156'  
TVD 7950'

19 Plug Back T.D

MD 11,095'  
TVD NA

20 Depth Bridge Plug Set

MD NA  
TVD NA

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

CNL, Hi-Res Laterolog Array, CBL

22 Was Well cored?

☒ No

☐ Yes (Submit analysis)

Was DST run?

☒ No

☐ Yes (Submit report)

Directional Survey?

☐ No

☒ Yes (Submit copy)

(Attached)

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	State Cementer Depth	No of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
26"	20"	Cond.	0	40'		Redi-mix		0	
17-1/2"	11-3/4"	42#	0	639'		700sx "C"		0	
11"	8-5/8"	24# 32#	0	2810'		820sx "C"		0	
7-7/8"	5-1/2"	17#	0	11,156'		1565sx PVL 430sx "C"			

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8"	6805'	6805'						

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status
A) Bone Spring	8182'	11,089'				
B)						
C)						
D)						

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

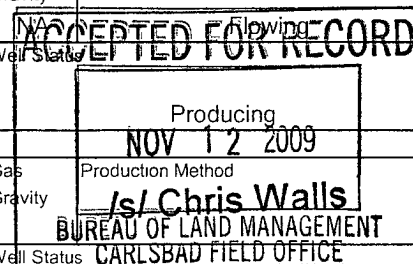
Depth Interval	Amount and Type of Material

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
10/21/09	10/23/09	24	→	502	667	843	NA		Flowing
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
21/64"	950 psi	Packer	→	502	667	843	NA		

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						



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

## 28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

## 28c Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29 Disposition of Gas (Sold, used for fuel, vented, etc )

Sold

## 30 Summary of Porous Zones (Include Aquifers)

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

## 31 Formation (Log) Markers

Formation	Top	Bottom	Description, Contents, etc.	Name	Top
					Meas Depth
Rustler	308'	634'		Rustler	308'
TOS	635'	2689'		TOS	635'
BOS	2690'	2951'		BOS	2690'
Bell Canyon	2952'	3845'		Bell Canyon	2952'
Cherry Canyon	3846'	5103'		Cherry Canyon	3846'
Brushy Canyon	5104'	6649'		Brushy Canyon	5104'
Bone Spring	6650'	11,156'		Bone Spring	6650'
REFER TO LOGS					

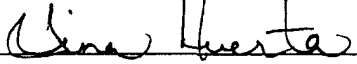
32 Additional remarks (include plugging procedure)

33 Indicate which items have been attached by placing a check in the appropriate boxes

- ☒ Electrical/Mechanical Logs (1 full set req'd )   
 ☐ Geologic Report   
 ☐ DST Report   
 ☒ Directional Survey  
☐ Sundry Notice for plugging and cement verification   
☐ Core Analysis   
☒ Other Deviation Survey

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

Name (please print) Tina Huerta Title Regulatory Compliance Supervisor

Signature  Date October 27, 2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Continued on page 3)

(Form 3160-4, page2)

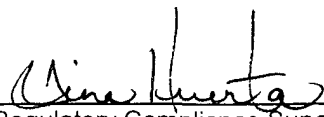
**Form 3160-4 continued:**

26. Perforation Record			
Perforated Interval	Size	No. Holes	Perf. Status
11,089'		12	Producing
10,936'		12	Producing
10,783'		12	Producing
10,630'		12	Producing
10,477'		12	Producing
10,324'		12	Producing
10,171'		12	Producing
10,018'		12	Producing
9865'		12	Producing
9712'		12	Producing

26. Perforation Record			
Perforated Interval	Size	No. Holes	Perf. Status
9559'		12	Producing
9406'		12	Producing
9253'		12	Producing
9100'		12	Producing
8947'		12	Producing
8794'		12	Producing
8641'		12	Producing
8488'		12	Producing
8335'		12	Producing
8182'		12	Producing

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

Depth Interval	Amount and Type of Material
8236'-11,095'	Spotted 2500g 15% IC HCL double inhibitor acid
10,630'-11,089'	Spearhead 2500g 7-1/2% HCL acid ahead of frac. Frac w/30# borate XL, 3763 bbls fluid, 153,398# 20/40 Ottawa, 84,519# RCS
10,477'	Spotted 2500g 7-1/2% HCL acid
10,018'-10,477'	Spearhead 2500g 7-1/2% HCL acid ahead of frac. Frac w/30# borate XL, 4392 bbls fluid, 153,440# 20/40 Ottawa, 84,051# 20/40 RCS
9865'	Spotted 2500g 7-1/2% HCL acid
9406'-9865'	Spearhead 2500g 7-1/2% HCL acid ahead of frac. Frac w/30# borate XL, 3982 bbls fluid, 134,663# 20/40 Ottawa, 80,371# 20/40 RCS
9253'	Spotted 2500g 7-1/2% HCL acid
8794'-9253'	Spearhead 2500g 7-1/2% HCL acid ahead of frac. Frac w/30# borate XL, 4051 bbls fluid, 160,727# 20/40 Ottawa, 71,553# 20/40 RCS
8641'	Spotted 2500g 7-1/2% HCL acid
8182'-8641'	Spearhead 2500g 7-1/2% HCL acid ahead of frac. Frac w/30# borate XL, 4174 bbls fluid, 176,992# 20/40 Ottawa, 83,724# 20/40 RCS

  
 Regulatory Compliance Supervisor  
 October 27, 2009