

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other				5. Lease Serial No. NM-88136					
b. Type of Completion: <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input checked="" type="checkbox"/> Diff. Resrv., Other: RECOMPLETION				6. If Indian, Allottee or Tribe Name					
2. Name of Operator Yates Petroleum Corporation				7. Unit or CA Agreement Name and No.					
3. Address 105 S. 4th Str., Artesia, NM 88210		3a. Phone No. (include area code) 505-748-1471		8. Lease Name and Well No. Corral Draw AQH Federal #2					
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At Surface 1980'FNL & 1980'FWL (Unit F, SENW) At top prod. Interval reported below Same as above At total depth Same as above				9. API Well No. 30-015-34257					
				10. Field and Pool, or Exploratory Undesignated Cedar Canyon; Delaware					
				11. Sec., T., R., M., on Block and Survey or Area Section 13-T24S-R29E					
				12. County or Parish Eddy		13. State New Mexico			
14. Date Spudded RC 7/1106		15. Date T.D. Reached 1/2/06		16. Date Completed 7/25/06 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		17. Elevations (DF, RKB, RT, GL)* 3073'GL 3091'KB			
18. Total Depth: MD 9230' TVD NA		19. Plug Back T.D.: MD 9185' TVD NA		20. Depth Bridge Plug Set: MD NA TVD NA					
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) None for Recompletion				22. Was Well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)					
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	State Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
REFER TO ORIGINAL COMPLETION									
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"	7000'								
25. Producing Intervals					26. Perforation Record				
Formation		Top	Bottom		Perforated Interval	Size	No. Holes	Perf. Status	
A) Delaware		5366'	6958'						
B)					SEE ATTACHED SHEET				
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval			Amount and Type of Material						
6352'-6958'			Frac w/20# borate gelled 3% KCL water carrying 45,000# 20/40 Ottawa, 75,000# 20/40 Expedite sand, 2500g 7-1/2% NEFE HCL						
5366'-6062'			Frac w/20# borate gelled 3% KCL water carrying 45,000# 20/40 Ottawa, 75,000# 20/40 Expedite sand, 2500g 7-1/2% NEFE						
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
7/26/06	7/25/06	24	⇒	93	21	47	NA	NA	Pumping
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
NA	NA	NA	⇒	93	21	47	NA		
28a. Production-Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			⇒						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
			⇒						

ACCEPTED FOR RECORD
Pumping

Producing - 1 2006

GARY GOURLEY
PETROLEUM ENGINEER

28b. Production - Interval C

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

28c. Production - Interval D

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

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

Sold

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Description, Contents, etc.	Name	Top
					Meas Depth
				REFER TO ORIGINAL COMPLETION	

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:

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

Name (please print) Tina Huerta Title Regulatory Compliance Supervisor

Signature  Date July 26, 2006

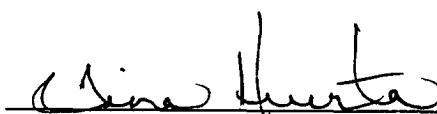
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Yates Petroleum Corporation
Corral Draw AQH Federal #2
Section 13-T24S-R29E
Eddy County, New Mexico
Page 3

Form 3160-4 Continued:

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
6352'-6370'		19	Producing
6856'-6870'		15	Producing
6900'-6906'		7	Producing
6938'-6958'		21	Producing
5366'-5372'		7	Producing
5390'-5396'		7	Producing
5840'-5842'		3	Producing
5856'-5860'		5	Producing
5952'-5956'		5	Producing
5966'-5970'		5	Producing
6056'-6062'		7	Producing



Regulatory Compliance Supervisor

July 26, 2006