

Submit To Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
 Revised June 10, 2003

WELL API NO.
 30-025-36790

5. Indicate Type of Lease
 STATE FEE

State Oil & Gas Lease No.
 VO-5836

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER CONFIDENTIAL

b. Type of Completion:
 NEW WORK DEEPEN PLUG DIFF.
 WELL OVER BACK RESVR.

2. Name of Operator
 Yates Petroleum Corporation

7. Lease Name or Unit Agreement Name
 Lacy J State Unit

8. Well No.
 2

3. Address of Operator
 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471

9. Pool name or Wildcat
 Wildcat Morrow

4. Well Location
 Unit Letter P : 1295 Feet From The South Line and 690 Feet From The East Line
 Section 6 Township 12S Range 34E NMPM Lea County

10. Date Spudded 10-12-04 RH
 10-24-04 RT

11. Date T.D. Reached 12-18-04

12. Date Compl. (Ready to Prod.) 1-18-05

13. Elevations (DF& RKB, RT, GR, etc.) 4201' GR, 4218.5' KB

15. Total Depth 12660'

16. Plug Back T.D. 12614'

17. If Multiple Compl. How Many Zones? _____

18. Intervals Drilled By Rotary Tools 40-12660' Cable Tools N/A

19. Producing Interval(s), of this completion - Top, Bottom, Name 12158-12207' Morrow

20. Was Directional Survey Made No

21. Type Electric and Other Logs Run CNL, BCS, Laterolog, CBL

22. Was Well Cored No

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"	Conductor	40'		Redi-Mix	
13-3/8"	48#	430'	17-1/2"	440 sx (circ)	
9-5/8"	36#, 40#	4207'	12-14"	1490 sx (circ)	
5-1/2"	17#	12660'	8-3/4"	3050 sx (TOC-3700' calc)	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	11900'	11900'

26. Perforation record (interval, size, and number)
 12158-72' and 12196-207' (6 JSPF) 150 .42" holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED

28. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)					
1-25-05	Flowing	Producing					
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
1-26-05	24	21/64"		240	4270	0	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
2000#			240	4270	0		

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

Test Witnessed By
 Mike Barrett

30. List Attachments
 Logs, DV Report

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature: Stormi Davis Printed Name: Stormi Davis Title: Regulatory Compliance Technician Date: 1-31-05

E-mail Address: stormid@ypcnm.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy	T. Canyon		T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	11086'	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka Shale	11606'	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	2756'	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian		T. Menefee	T. Madison
T. Queen	T. Silurian		T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya		T. Mancos	T. McCracken
T. San Andres	T. Simpson	4052'	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	5500'	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger		T. Dakota	T
T. Blinbry	T. Gr. Wash		T. Morrison	T
T. Tubb	T. Delaware Sand	6957'	T. Todilto	T
T. Drinkard	T. Rustler	1944'	T. Entrada	T
T. Abo	T. Morrow	12077'	T. Wingate	T
T. Wolfcamp Lm	T. Austin	12208'	T. Chinle	T
T. Penn	T. Chester Lm	12312'	T. Permian	T
T. Cisco (Bough C)	T. L. Miss Lm	12418'	T. Penn "A"	T

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
 No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology