tinah@ypcnm.com

December 21, 2006

Date:

Phone:

(505) 748-1471

| 1625 N. French Dr., Hobbs, NM S<br>District II                              |                                       |  | I.                      | State of New Minerals &          | ew Mexico Natural Resources                           |  | ces ,     | Form C-104 Revised June 10, 2003 |                                 |                                      |                                       |  |
|---|---------------------------------------|--|-------------------------|----------------------------------|---|--|-----------|----------------------------------|---------------------------------|--------------------------------------|---------------------------------------|--|
| District III  1000 Rio Brazos  District IV                                  | Rd., Azte                             | c, NM 87                                       | 410                     | l Conservat<br>20 South St       | . Francis   | on<br>Dr.  | ECENED IN | Submi                            |                                 | ropriate District Office<br>5 Copies |                                       |  |
| 1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 AMENDED REPO |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| <sup>1</sup> Operator n   | ame and                               | Address  | s                       | /K ALL                           | OWADLE  | ANDA   | 71110     | <sup>2</sup> OGRID Nur           |                                 | KANSI                                | OKI                                   |  |
| Yates Petrolo 105 South Fo  | -                                     | l  |                         |                                  |   | 025575  3 Reason for Filing Code/ Effective Date |           |                                  |                                 |                                      |                                       |  |
| Artesia, NM   |                                       |  |                         |                                  |   |  |           | NW                               |                                 |                                      |                                       |  |
| <sup>4</sup> API Number<br>30-015-34954 Fo                                  |                                       |  |                         |                                  | <sup>5</sup> Pool Name<br>our Mile Draw; Morrow, West |  |           |                                  | <sup>6</sup> Pool Code<br>77000 |                                      |                                       |  |
| <sup>7</sup> Property Code  |                                       |  | 8 Property Name         |                                  |   |  |           |                                  | 9 Well Number                   |                                      |                                       |  |
| II. 10 Surface Location   |                                       |  |                         |                                  | Ivey E  | BFV  |           |                                  |                                 |                                      | 1                                     |  |
| II. 10 Sur  |                                       | Towns  |                         | Lot.Idn                          | Feet from the   | North/Sou  | th Line   | Feet from the                    | East/W                          | /est line                            | County                                |  |
| P   | 4                                     | 199  |                         |                                  | 660   | Sout   |           | 850                              | 1                               | ast                                  | Eddy                                  |  |
|   | ttom H                                |  |                         | 1- :-:                           | r=  | T  |           | Γ <u></u>                        |                                 |                                      |                                       |  |
| UL or lot no.   | Section                               | Towns  | ship Range              | Lot Idn                          | Feet from the   | North/So   | uth line  | Feet from the                    | East/W                          | est line                             | County                                |  |
| 12 Lse Code   | Lse Code 13 Producing Me              |  | od <sup>14</sup> Gas C  | onnection                        | <sup>15</sup> C-129 Per                               | C-129 Permit Number                              |           | <sup>16</sup> C-129 Effective l  |                                 | <sup>17</sup> C-12                   | 29 Expiration Date                    |  |
| P Code  |                                       | Code<br>F                                      | l l                     | ate<br>  6/06                    |   | C 125 Termit Number                              |           |                                  | C 127 2mp. min. 2 m.            |                                      |                                       |  |
| III. Oil and Gas Transporters   |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| 18 Transpor   | 19                                    | Transporter                                    | 20                      | POD 21 O/G 22 POD ULSTR Location |   |  |           |                                  | 1                               |                                      |                                       |  |
| 015694  | OGRID N                               |  | and Addre               |                                  | 4010499   |  | 0         |                                  | and Description                 |                                      |                                       |  |
| 013094  |                                       | P. O. Box 159                                  |                         |                                  | 40)   | 10499  | U         |                                  | Unit P of Section 4-T19S-R26E   |                                      |                                       |  |
| Artesia, NM 88210   |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| 147831  |                                       | Agave Energy Company 4 105 South Fourth Street |                         |                                  |   | 10498 G  |           | 1                                | Unit P of Section 4-T19S-R26E   |                                      |                                       |  |
|   |                                       | Artesia, NM 88210                              |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
|   |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
|   |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| IV. Prod  | uced V                                | Vater  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| <sup>23</sup> POD   |                                       | POD ULSTR                                      | and Description         |                                  | Castion   | 4 T100 D26E                                      |           |                                  |                                 |                                      |                                       |  |
| V. Well Completion Data   |                                       |  |                         |                                  |   | Unit P of Section 4-T19S-R26E                    |           |                                  |                                 |                                      |                                       |  |
| <sup>25</sup> Spud Da   | ıd Date                               |  | Ready Date              |                                  | <sup>27</sup> TD                                      | <sup>28</sup> PBTD                               |           | <sup>29</sup> Perforat           |                                 | 1 '                                  |                                       |  |
| RH 9/11/0<br>RT 9/25/0  | -                                     | 11   | /15/06                  |                                  | 9655'   | 9609   | )'        | 9254'-93                         | 24'                             |                                      |                                       |  |
| 31 Hole Size  |                                       |  | 32 Casing & Tubing Size |                                  |   | 33 Depth Set                                     |           |                                  | <sup>34</sup> Sacks Cement      |                                      | s Cement                              |  |
| 26"   |                                       |  |                         |                                  | 80'   |  |           | Conductor                        |                                 |                                      |                                       |  |
| 17-1/2"   |                                       |  | **                      |                                  | 1024'   |  |           | 1230 sx (circ)                   |                                 |                                      |                                       |  |
| 17-1/2  |                                       |  |                         |                                  | 1024  |  |           | 1230 52 (CITC)                   |                                 |                                      |                                       |  |
| 8-3/4"  |                                       |  |                         |                                  | 9655'   |  |           | 2615 sx (circ)                   |                                 |                                      |                                       |  |
|   |                                       |  |                         |                                  | 00511   |  |           |                                  |                                 |                                      |                                       |  |
|   |                                       |  |                         | 2-7/8"                           |   | 9051'  |           |                                  | <del></del>                     |                                      |                                       |  |
|   |                                       |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| VI. Well  | Test D                                | ata  |                         |                                  |   |  |           | <u></u>                          |                                 |                                      |                                       |  |
| <sup>35</sup> Date New<br>11/18/06  |                                       | 11/16/   |                         | 11/2                             |   |  |           |                                  | 1500 psi                        |                                      | <sup>40</sup> Csg. Pressure<br>Packer |  |
| <sup>41</sup> Choke Si<br>14/64"  |                                       |  | <sup>2</sup> Oil<br>5   | oil <sup>43</sup> W              |   | <sup>44</sup> Gas<br>1333                        |           | •                                | <sup>45</sup> AOF               |                                      | 46 Test Method<br>Flow Test           |  |
| <sup>47</sup> I hereby cert   | ify that th                           | ne rules o                                     | of the Oil Cons         | servation D                      | Division have   | OIL CONSERVATION DIVISION                        |           |                                  |                                 |                                      |                                       |  |
| been complied complete to the   |                                       |  | is true and             |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| Signature:  |                                       |  |                         |                                  |   | Approved by: BRYAN G. ARRANT                     |           |                                  |                                 |                                      |                                       |  |
| Printed name:   |                                       |  |                         |                                  |   | DISTRICT II GEOLOGIST  Title:                    |           |                                  |                                 |                                      |                                       |  |
| Tina Huerta   | · · · · · · · · · · · · · · · · · · · |  |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |
| Title:<br>Regulatory C  | ce Sune                               | rvisor   |                         | Approval Date: DEC 2 6 2008      |   |  |           |                                  |                                 |                                      |                                       |  |
| E-mail Address  | o oupe                                | - , 1001                                       |                         |                                  |   |  |           |                                  |                                 |                                      |                                       |  |