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| 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. 30-015-32889 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. |
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| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | |
| 1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. 2. Name of Operator Yates Petroleum Corporation 3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471 4. Well Location Unit Letter <u>A</u> : <u>990</u> Feet From The <u>North</u> Line and <u>990</u> Feet From The <u>East</u> Line Section <u>23</u> Township <u>24S</u> Range <u>27E</u> NMPM <u>Eddy</u> County 10. Date Spudded RH 8/26/03 RT 9/3/03 11. Date T.D. Reached 11/7/03 12. Date Compl. (Ready to Prod.) 1/28/04 13. Elevations (DF& RKB, RT, GR, etc.) 3182' GR 3214' KB 14. Elev. Casinghead 15. Total Depth 12,940' 16. Plug Back T.D. 12,450' 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools 40'-12,940' Cable Tools 19. Producing Interval(s), of this completion - Top, Bottom, Name 12,366'-12,412' Morrow 20. Was Directional Survey Made No 21. Type Electric and Other Logs Run Density/Neutron, High Resolution Laterolog Array, Combinable Magnetic Resonance Tool 22. Was Well Cored No | 7. Lease Name or Unit Agreement Name Humidor State Unit 8. Well No. 1 9. Pool name or Wildcat Wildcat Morrow <div style="text-align: right; font-size: 1.2em;">96070</div> |

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|---|----------------|-----------|-----------|------------------|---------------|
| 23. CASING RECORD (Report all strings set in well) | | | | | |
| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
| 30" | | 40' | | Conductor | |
| 20" | 94# | 606' | 26" | 1252 sx (circ) | |
| 13-3/8" | 54.5# & 61# | 2452' | 17-1/2" | 2100 sx (circ) | |
| 9-5/8" | 43.5# & 47# | 10,500' | 12-1/4" | 3200 sx | TOC 10,335' |

| | | | | | | | |
|-------------------------|-------|---------|--------------|--------------------------|--------|-----------|------------|
| 24. LINER RECORD | | | | 25. TUBING RECORD | | | |
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| 7" | 9987' | 12,940' | 745 sx | | 2-7/8" | 12,156' | 12,156' |

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|---|--|--|--|---|--|
| 26. Perforation record (interval, size, and number) 12,854'-12,860' (37) 12,486'-12,492' (37) 12,570'-12,576' (37) 12,366'-12,380' (85) 12,604'-12,610' (37) 12,398'-12,412' (85) | | | | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED <div style="text-align: center; border: 1px solid black; padding: 5px; margin-top: 10px;"> See Attached Sheet </div> | |
|---|--|--|--|---|--|

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|--|-----------------|---|------------------------|-----------|--------------------------------|-----------------------------|-----------------|
| 28. PRODUCTION | | | | | | | |
| Date First Production | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | Well Status (Prod. or Shut-in) | | |
| | | | | | SIWOPL | | |
| Date of Test | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio |
| 1/22/04 | 24 hrs | 3/8" | | 0 | 4158 | 0 | NA |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr.) | |
| 1210 psi | Packer | | 0 | 4158 | 0 | NA | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) | | | | | | Test Witnessed By | |
| Sold if produced | | | | | | Jim Necaise | |
| 30. List Attachments | | | | | | | |
| Logs | | | | | | | |

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 Tina Huerta Printed. Name Tina Huerta Title Regulatory Compliance Supervisor Date January 29, 2004
 E-mail Address tinah@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 | 11,314' | T. Kirtland-Fruitland | T. Penn. "C" |
| B. Salt | T. Atoka | 11,546' | T. Pictured Cliffs | T. Penn. "D" |
| T. Yates | T. Miss | | T. Cliff House | T. Leadville |
| T. 7 Rivers | T. Devonian | | T. Menefee | T. Madison |
| T. Queen | T. Siluro-Devonian | | T. Point Lookout | T. Elbert |
| T. Grayburg | T. Montoya | | T. Mancos | T. McCracken |
| T. San Andres | T. Simpson | | T. Gallup | T. Ignacio Otzte |
| T. Glorieta | T. McKee | | Base Greenhorn | T. Granite |
| T. Paddock | T. Ellenburger | | T. Dakota | |
| T. Blinebry | T. Gr. Wash | | T. Morrison | |
| T. Tubb | T. Delaware Sand | 2356' | T. Todilto | |
| T. Drinkard | T. Bone Springs | 5854' | T. Entrada | |
| T. Abo | T. Rustler | 744' | T. Wingate | |
| T. Wolfcamp 9248' | T. Morrow | 12,193' | T. Chinle | |
| T. Wolfcamp B Zone | T. Spear | | T. Permian | |
| T. Cisco (Bough C) | T. Pre-Cambrian | | T. Penn "A" | |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, 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 |
|------|----|----------------------|-----------|
| | | | |

Yates Petroleum Corporation
Humidor State Unit #1
Section 23-T24S-R27E
Eddy County, New Mexico

Form C-105 continued:

27. Acid, Shot, Fracture, Cement, Squeeze, Etc.

| <u>Depth Interval</u> | <u>Amount and Kind Material Used</u> |
|-----------------------|--|
| 12,854'-12,860' | Acidize w/1000g 7-1/2% MSA acid |
| 12,570'-12,610 | Acidize w/1500g 7-1/2% MSA acid w/110 ball sealers |
| 12,486'-12,492' | Acidize w/750g 7-1/2% MSA acid w/45 ball sealers |
| 12,486'-12,860' | Frac w/41,000# sand in formation w/9000# sand in tubing Total load 503 bbls, 117 tons CO2 |
| 12,366'-12,412' | Acidize w/1500g 7-1/2% MSA and ball sealers Frac w/59,000g 40Q foam frac and 50,000# 20/40 Carbo-lite |