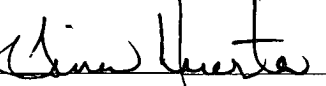


Submit To Appropriate District Office Two Copies District I 1625 N French Dr, Hobbs, NM 88240 District II 811 S First St, Artesia, NM 88210 District III 1000 Rio Brazos Rd, Aztec, NM 87410 District IV 1220 S St Francis Dr, Santa Fe, NM 87505		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505				Form C-105 Revised August 1, 2011 1. WELL API NO. 30-015-37849 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No VB-0669-001					
WELL COMPLETION OR RECOMPLETION REPORT AND LOG											
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19 15 17 13 K NMAC)						5. Lease Name or Unit Agreement Name Herradura Unit 6. Well Number 3					
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER						<div style="border: 2px solid black; padding: 5px; display: inline-block;"> RECEIVED FEB 07 2012 NMOGD ARTESIA </div>					
8. Name of Operator Yates Petroleum Corporation 10. Address of Operator 105 South Fourth Street, Artesia, NM 88210											
11. Pool name or Wildcat Carlsbad; Morrow, South											
12. Location		Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:		B	4	24S	25E	2	510	North	1930	East	Eddy
BH:											
13. Date Spudded RH 6/1/10 RT 9/7/11		14. Date T.D. Reached 10/13/11		15. Date Rig Released 10/18/11		16. Date Completed (Ready to Produce) 2/3/12		17. Elevations (DF and RKB, RT, GR, etc.) 3742'GR 3760'KB			
18. Total Measured Depth of Well 11,296'				19. Plug Back Measured Depth 10,950'		20. Was Directional Survey Made? No		21. Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array, CBL			
22. Producing Interval(s), of this completion - Top, Bottom, Name 10,820'-10,924' Morrow											
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'		26"		20 sx redi-mix to surface			
13-3/8"		48#		462'		17-1/2"		794 sx (circ)			
9-5/8"		36#		2645'		12-1/4"		700 sx (circ)			
7"		26#		11,296'		8-3/4"		1700 sx(TOC 70'est)			
24. LINER RECORD											
SIZE	TOP	BOTTOM		SACKS CEMENT	SCREEN		25. TUBING RECORD				
							SIZE	DEPTH SET		PACKER SET	
							2-7/8"	10,562'		10,562'	
26. Perforation record (interval, size, and number) 11,140'-11,146'(37) 10,904'-10,910'(37) 11,150'-11,154'(25) 10,920'-10,924'(25) 11,216'-11,220'(25) 10,820'-10,828'(66) 10,960'-11,072'(99)						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED SEE ATTACHED SHEET					
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 1/16/12	Hours Tested 24	Choke Size 3/8"	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 799	Water - Bbl 48	Gas - Oil Ratio NA				
Flow Tubing Press. 323 psi	Casing Pressure Packer	Calculated 24- Hour Rate	Oil - Bbl 0	Gas - MCF 799	Water - Bbl 48	Oil Gravity - API - (Corr.) NA					
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold when connected								30. Test Witnessed By B Stark			
31. List Attachments Logs and Deviation Survey											
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.											
33. If an on-site burial was used at the well, report the exact location of the on-site burial											
Latitude				Longitude				NAD 1927 1983			
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief											
Signature 			Printed Name Tina Huerta		Title Regulatory Compliance Supervisor			Date February 6, 2012			
E-mail Address: tinah@yatespetroleum.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 and not later than 60 days after completion of closure. When submitted as a completion report, this 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 11, 12 and 26-31 shall be reported for each zone.

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 A	
T. Salt	T. Strawn	9744'	T. Kirtland	T. Penn. "B	
B. Salt	T. Atoka	10,194'	T. Fruitland	T. Penn. "C	
T. Yates	T. Miss		T. Pictured Cliffs	T. Penn. "D	
T. 7 Rivers	T. Devonian		T. Cliff House	T. Leadville	
T. Queen	T. Silurian		T. Menefee	T. Madison	
T. Grayburg	T. Montoya		T. Point Lookout	T. Elbert	
T. San Andres	T. Simpson		T. Mancos	T. McCracken	
T. Glorieta	T. McKee		T. Gallup	T. Ignacio Otzte	
T. Paddock	T. Ellenburger		Base Greenhorn	T. Granite	
T. Blinebry	T. Gr. Wash		T. Dakota		
T. Tubb	T. Bone Spring	4948'	T. Morrison		
T. Drinkard	T. Rustler	460'	T. Todilto		
T. Abo	T. Bell Canyon	2642'	T. Entrada		
T. Wolfcamp	T. Cherry Canyon	3122'	T. Wingate		
T. Penn	T. Brushy Canyon	3464'	T. Chinle		
T. Cisco	T. Morrow	10,780'	T. Permian		

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

From	To	Thickness In Feet	Lithology

Form C-105 continued:

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

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
11,140'-11,220'	Acidized with 2000g 7-1/2% Morrow acid
10,960'-11,072'	Acidized with 2000g 7-1/2% Morrow acid
10,904'-10,924'	Acidized with 1500g 7-1/2% Morrow acid with 100 ball sealers
10,820'-10,828', 10,904'-10,924'	Acidized with 2500g 7-1/2% MSA acid with 2000 SCF/bbl nitrogen, dropped 60 balls, 10,000 SCF nitrogen pad, commingled acid and nitrogen
10,820'-10,828'	Frac with 40# CMHPG gel with 65Q CO2, prop total 42,406# 20/40 Econo-Prop, 173 tons CO2
	Acidized with 1500g 7-1/2% Morrow acid



Regulatory Compliance Supervisor
February 6, 2012