

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. 30-015-32529 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. VA-1935
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 type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input checked="" type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. RECOMPLETION		7. Lease Name or Unit Agreement Name Palo Duro BCO State Com <div style="text-align: center; font-weight: bold; font-size: 1.2em;">RECEIVED</div>
2. Name of Operator Yates Petroleum Corporation		8. Well No. 1
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471		9. Pool name or Wildcat Wolfcamp
4. Well Location Unit Letter <u>I</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>35</u> Township <u>23S</u> Range <u>27E</u> NMPM Eddy County		
10. Date Spudded RC 12/7/05	11. Date T.D. Reached 4/21/03	12. Date Compl. (Ready to Prod.) 1/12/06
13. Elevations (DF& RKB, RT, GR, etc.) 3142'GR 3158'KB		14. Elev. Casinghead
15. Total Depth 12,820'	16. Plug Back T.D. 12,160'	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By		19. Producing Interval(s), of this completion - Top, Bottom, Name 10,249'-10,454' Wolfcamp
20. Was Directional Survey Made No		21. Type Electric and Other Logs Run None for recompletion
22. Was Well Cored No		23. CASING RECORD (Report all strings set in well)
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
REFER TO ORIGINAL COMPLETION		
24. LINER RECORD		25. TUBING RECORD
SIZE	TOP	SIZE
		2-3/8"
BOTTOM	SACKS CEMENT	DEPTH SET
		10,150'
	SCREEN	PACKER SET
		10,150'
26. Perforation record (interval, size, and number)		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
12,210'-12,212'	10,294'-10,300'	DEPTH INTERVAL
12,222'-12,226'	10,308'-10,320'	AMOUNT AND KIND MATERIAL USED
12,230'-12,236'	10,375'-10,390'	10,249'-10,300'
10,249'-10,256'	10,446'-10,454'	10,249'-10,454'
		10,249'-10,454'
		10,249'-10,454'
		Acidize w/1500g 20% IC HCL
		Acidize w/2700g 7-1/2% IC HCL w/200 BS
		Frac w/CO2 foam frac, 482 bbls fluid, 191 tons CO2 50,000# 20/40 Versaprop
28. PRODUCTION		
Date First Production 1/13/06		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing
Well Status (Prod. or Shut-in) Producing		
Date of Test 1/24/06	Hours Tested 24 hrs	Choke Size NA
Prod'n For Test Period 13	Oil - Bbl 13	Gas - MCF 416
Water - Bbl. 8	Gas - Oil Ratio NA	
Flow Tubing Press. 1800 psi	Casing Pressure Packer	Calculated 24-Hour Rate 13
Oil - Bbl. 13	Gas - MCF 416	Water - Bbl. 8
Oil Gravity - API - (Corr.) NA		
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold		Test Witnessed By Tracy Richardson
30. List Attachments None		
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 <u>Tina Huerta</u> Printed. Name <u>Tina Huerta</u> Title <u>Regulatory Compliance Supervisor</u> Date <u>February 3, 2006</u> E-mail Address <u>tinah@ypcnm.com</u>		

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	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	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	T. Todilto	
T. Drinkard	Penrose	T. Entrada	
T. Abo	Yeso	T. Wingate	
T. Wolfcamp	Spear	T. Chinle	
T. Wolfcamp B Zone		T. Permian	
T. Cisco		T. Penn "A"	

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
			REFER TO ORIGINAL COMPLETION