

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	<b>State of New Mexico</b> <b>Energy, Minerals and Natural Resources</b>  <b>Oil Conservation Division</b> <b>1220 South St. Francis Dr.</b> <b>Santa Fe, NM 87505</b>	<b>Form C-105</b> Revised June 10, 2003  WELL API NO. 30-015-34552  5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>  State Oil & Gas Lease No. VO-6670
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>		
1a. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> <b>DHC-3959</b>  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.		7. Lease Name or Unit Agreement Name  Doc BHU State  <div style="text-align: right; font-size: 1.2em;"> <b>NOV 01 2007</b>  <b>OCD-ARTESIA</b> </div>
2. Name of Operator <b>Yates Petroleum Corporation</b>  3. Address of Operator <b>105 South Fourth Street, Artesia, NM 88210 (505) 748-1471</b>		8. Well No. <b>1</b>  9. Pool name or Wildcat <b>Pierce Crossing; Bone Spring, East</b>
4. Well Location  Unit Letter <u>O</u> : <u>330</u> Feet From The <u>South</u> Line and <u>2310</u> Feet From The <u>East</u> Line  Section <u>5</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County		
10. Date Spudded <b>7/6/07</b>	11. Date T.D. Reached <b>8/2/07</b>	12. Date Compl. (Ready to Prod) <b>10/3/07</b>
13. Elevations (DF& RKB, RT, GR, etc.) <b>3225'GR 3242'KB</b>		14 Elev. Casinghead
15. Total Depth <b>9300'</b>	16. Plug Back T.D. <b>9255'</b>	17. If Multiple Compl. How Many Zones <b>2</b>
18 Intervals Drilled By <b>59'-9300'</b>		Rotary Tools <b>59'-9300'</b>
19. Producing Interval(s), of this completion - Top, Bottom, Name <b>7459'-9166' Bone Spring</b>		20. Was Directional Survey Made <b>Yes (Attached)</b>
21. Type Electric and Other Logs Run <b>CNL, Hi-Res Laterolog Array, CBL</b>		22. Was Well Cored <b>No</b>
23. <b>CASING RECORD</b> (Report all strings set in well)		
CASING SIZE	WEIGHT LB/FT.	DEPTH SET
20"	Conductor	59'
13-3/8"	48#	690'
8-5/8"	24#, 32#	4001'
5-1/2"	15.5#, 17#	9300'
24. <b>LINER RECORD</b>		25. <b>TUBING RECORD</b>
SIZE	TOP	BOTTOM
SACKS CEMENT	SCREEN	SIZE
DEPTH SET	PACKER SET	SIZE
2-7/8"	7282'	7282'
26. Perforation record (interval, size, and number)  <b>SEE ATTACHED SHEET</b>		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  <b>SEE ATTACHED SHEET</b>
28. <b>PRODUCTION</b>		
Date First Production <b>10/4/07</b>		Production Method (Flowing, gas lift, pumping - Size and type pump) <b>Pumping</b>
Well Status (Prod. or Shut-in) <b>Producing</b>		
Date of Test <b>10/27/07</b>	Hours Tested <b>24 hrs</b>	Choke Size <b>NA</b>
Flow Tubing Press <b>NA</b>	Casing Pressure <b>NA</b>	Calculated 24-Hour Rate <b>72</b>
Oil - Bbl <b>72</b>	Gas - MCF <b>248</b>	Water - Bbl. <b>309</b>
Gas - Oil Ratio <b>NA</b>		Oil Gravity - API - (Corr) <b>NA</b>
29. Disposition of Gas (Sold, used for fuel, vented, etc) <b>Sold</b>		Test Witnessed By <b>Scott Johnson</b>
30. List Attachments  <b>Logs, Deviation Survey and Directional Survey</b>		
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. <u>Tina Huerta</u> Title <u>Regulatory Compliance Supervisor</u> Date <u>October 23, 2007.</u>  E-mail Address <u>tinah@ypcnm.com</u>		

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

## OIL OR GAS SANDS OR ZONES

## IMPORTANT WATER SANDS

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

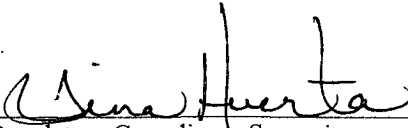
**Form C-105 continued:**

**26. Perforation record (interval, size and number)**

9073'-9075' (3)	8497'-8500' (4)	7332'-7335' (4)
9083'-9087' (5)	8524'-8542' (19)	7337' (1)
9119'-9124' (6)	8164'-8172' (9)	7340'-7342' (3)
9142'-9154' (13)	8210'-8216' (7)	7374'-7377' (4)
9164'-9166' (3)	7566'-7568' (3)	7418'-7420' (3)
8390'-8394' (5)	7570'-7576' (7)	7459'-7464' (6)
8441'-8446' (6)	7580'-7582' (3)	

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

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
9073'-9166'	Acidize w/1250g 7-1/2% HCL acid w/40 ball sealers Frac w/a water frac, 635 bbls fluid, 50,000# 20/40 Expedite
8390'-8542'	Acidize w/1250g 7-1/2% HCL acid w/50 ball sealers Frac w/36,860g Silverstim 20# x-link and 80,000# 20/40 Expedite
8164'-8216'	Frac w/15,000g Silverstim and 20,000# 20/40 Expedite
7566'-7582'	Acidize w/750g 7-1/2% IC acid
7332'-7464'	Acidize w/1200g 7-1/2% HCL acid w/30 ball sealers Frac w/a water frac, 787 bbls fluid, 70,000# 20/40 Expedite

  
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Regulatory Compliance Supervisor  
October 23, 2007