

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	<div style="text-align: right;">Form C-105</div> <div style="text-align: right;">Revised June 10, 2003</div> <div style="border: 1px solid black; padding: 2px;"> WELL API NO. 30-005-63943 </div> <div style="border: 1px solid black; padding: 2px;"> 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> </div> <div style="border: 1px solid black; padding: 2px;"> State Oil & Gas Lease No. VA-2643 </div>
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input 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.		7. Lease Name or Unit Agreement Name Pigskin State Unit <div style="text-align: right; font-weight: bold;">FEB 05 2008</div>
2. Name of Operator Yates Petroleum Corporation		8 Well No 1 OCD-ARTESIA
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (575) 748-1471		9. Pool name or Wildcat Wildcat; Wolfcamp
4 Well Location Unit Letter <u>B</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>14</u> Township <u>12S</u> Range <u>26E</u> NMPM <u>Chaves</u> County		
10. Date Spudded RH 6/29/07 RT 10/20/07	11. Date T.D. Reached 10/30/07	12. Date Compl (Ready to Prod.) 12/21/07
13. Elevations (DF& RKB, RT, GR, etc) 3696'GR 3708'KB		14. Elev. Casinghead
15. Total Depth 5900'	16. Plug Back T.D. 5857'	17 If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools 40'-5900'
19 Producing Interval(s), of this completion - Top, Bottom, Name 5588'-5698' Wolfcamp		20. Was Directional Survey Made No
21 Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array, Borehole Compensated Sonic, CBL		22. Was Well Cored No
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT	DEPTH SET
16"	Conductor	40'
8-5/8"	24#	1105'
4-1/2"	11.6#	5900'
HOLE SIZE		CEMENTING RECORD
12-1/4"		Redi-mix
7-7/8"		600 sx (circ)
900 sx (circ)		AMOUNT PULLED
24. LINER RECORD		
SIZE	TOP	BOTTOM
2-3/8"	5478'	PACKER SET
26. Perforation record (interval, size, and number) 5588', 5590', 5610', 5612', 5614', 5622', 5624', 5647', 5656', 5658', 5660', 5674', 5676', 5678', 5690', 5694', 5696', 5698'		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 5588'-5698' Acidize w/1500g 15% IC acid and 36 balls Re-acidize w/25,000g 15% IC acid
28. PRODUCTION		
Date First Production 12/21/07	Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping	
Well Status (Prod. or Shut-in) Producing		
Date of Test 12/21/07	Hours Tested 24 hrs	Choke Size NA
Flow Tubing Press NA	Casing Pressure NA	Calculated 24-Hour Rate Oil - Bbl 22
Gas - MCF 18		Water - Bbl 122
Oil Gravity - API - (Corr.) NA		Gas - Oil Ratio NA
29 Disposition of Gas (Sold, used for fuel, vented, etc.) Sold when connected		Test Witnessed By P. Hanes
30. List Attachments Logs and Deviation Survey		
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 Printed. Signature <u>Tina Huerta</u> Name <u>Tina Huerta</u> Title <u>Regulatory Compliance Supervisor</u> Date <u>January 31, 2008</u> E-mail Address <u>tnah@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	448'	T. Siluro-Devonian	T. Point Lookout	T. Elbert	
T. Grayburg	742'	T. Montoya	T. Mancos	T. McCracken	
T. San Andres	987'	T. Simpson	T. Gallup	T. Ignacio Otzte	
T. Glorieta	2194'	T. McKee	Base Greenhorn	T. Granite	
T. Paddock		T. Ellenburger	T. Dakota		
T. Blinebry		T. Penrose 536'	T. Morrison		
T. Tubb	3693'	T. Yeso 2308'	T. Todilto		
T. Drinkard			T. Entrada		
T. Abo	4452'		T. Wingate		
T. Wolfcamp	5042'		T. Chinle		
T. Wolfcamp B Zone			T. Permian		
T. Cisco	5798'		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

From	To	Thickness In Feet	Lithology

TEACO DRILLING INC.

P.O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

INCLINATION REPORT

DATE: 11/12/07

WELL NAME AND NUMBER PIGSKIN STATE UNIT # 1
LOCATION CHAVES COUNTY
OPERATOR: YATES PETROLEUM CORP
DRILLING CONTRACTOR: TEACO DRILLING INC

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
<u>1</u>	<u>147</u>	<u>0.5</u>	<u>2867</u>	<u>3</u>	<u>5860</u>
<u>0.75</u>	<u>335</u>	<u>0.75</u>	<u>3120</u>		
<u>1.25</u>	<u>646</u>	<u>0.75</u>	<u>3468</u>		
<u>1</u>	<u>801</u>	<u>0.25</u>	<u>3814</u>		
<u>0.25</u>	<u>1084</u>	<u>1.5</u>	<u>4190</u>		
<u>0.5</u>	<u>1346</u>	<u>1</u>	<u>4474</u>		
<u>0.75</u>	<u>1917</u>	<u>2</u>	<u>4785</u>		
<u>0.25</u>	<u>2168</u>	<u>2</u>	<u>4882</u>		
<u>1</u>	<u>2422</u>	<u>2.25</u>	<u>5072</u>		
<u>1.5</u>	<u>2708</u>	<u>3</u>	<u>5544</u>		

DRILLING CONTRACTOR:
TEACO DRILLING INCORPORATED

BY: Bob Wegner
BOB WEGNER
DRILLING SUPERINTENDENT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 15th DAY OF November, 2007

MY COMMISSION EXPIRES: 08/01/11

[Signature]

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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63943	² Pool Code 97670	³ Pool Name Coyote Wolfcamp
⁴ Property Code 36532	⁵ Property Name Pigskin State Unit	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3696'GR

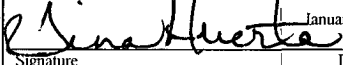
¹⁰ Surface Location

UL or lot no. B	Section 14	Township 12S	Range 26E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1650	East/West line East	County Chaves
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶						¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i>  Signature January 31, 2008 Date Tina Huerta Printed Name
						¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i> Date of Survey Signature and Seal of Professional Surveyor. Certificate Number