

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	Form C-105 Revised June 10, 2003
	Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	WELL API NO. 30-015-33036
		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
		State Oil & Gas Lease No.

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 <u>RECEIVED</u>	7. Lease Name or Unit Agreement Name Desiree BDS
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. <u>MAY 26 2004</u> <u>YPC-ARTESIA</u>	8. Well No. 1
2. Name of Operator Yates Petroleum Corporation	9. Pool name or Wildcat Kennedy Farms Morrow
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471	

4. Well Location

Unit Letter O : 660 Feet From The South Line and 2236 Feet From The East Line

Section 34 Township 17S Range 26E NMPM Eddy County

10. Date Spudded RH 1/17/04 RT 1/23/04	11. Date T.D. Reached 2/21/04	12. Date Compl. (Ready to Prod.) 4/1/04	13. Elevations (DF& RKB, RT, GR, etc.) 3329'GR 3348'KB	14. Elev. Casinghead
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15. Total Depth 9050'	16. Plug Back T.D. 9006'	17. If Multiple Compl. How Many Zones? 	18. Intervals Drilled By 	Rotary Tools 40'-9050'	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name 8714'-8776' Morrow	20. Was Directional Survey Made No
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21. Type Electric and Other Logs Run CNL, High Resolution Laterolog Array, CBL	22. Was Well Cored No
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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
20"	Conductor	40'			
13-3/8"	48#	426'	17-1/2"	520 sx (circ)	
9-5/8"	36#	1433'	12-1/4"	655 sx (circ)	
5-1/2"	15.5# & 17#	9050'	8-3/4"	2050 sx (TOC 2600'CBL)	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-7/8"	8483'	8483'

26. Perforation record (interval, size, and number) 8714'-8740' 8762'-8776'	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL 8714'-8776'	AMOUNT AND KIND MATERIAL USED Acidize w/2000g 7-1/2% IC HCL and balls Frac w/binary foam + 50,000# 20/40 Carbolite sand

28. PRODUCTION

Date First Production 4/1/04		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) Producing		
Date of Test 5/2/04	Hours Tested 24 hrs	Choke Size NA	Prod'n For Test Period	Oil - Bbl 1	Gas - MCF 446	Water - Bbl. 1	Gas - Oil Ratio NA
Flow Tubing Press. 240 psi	Casing Pressure Packer	Calculated 24-Hour Rate	Oil - Bbl. 1	Gas - MCF 446	Water - Bbl. 1	Oil Gravity - API - (Corr.) NA	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold	Test Witnessed By Tony Vazquez
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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

Signature Tina Huerta Printed Name Tina Huerta Title Regulatory Compliance Supervisor Date May 20, 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	8044'		T. Kirtland-Fruitland			T. Penn. "C"
B. Salt			T. Atoka	8472'		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. Silurian			T. Point Lookout			T. Elbert
T. Grayburg			T. Montoya			T. Mancos			T. McCracken
T. San Andres	1036'		T. Simpson			T. Gallup			T. Ignacio Otzte
T. Glorieta	2444'		T. McKee			Base Greenhorn			T. Granite
T. Paddock			T. Ellenburger			T. Dakota			
T. Blinebry			T. Gr. Wash			T. Morrison			
T. Tubb	3784'		T. Delaware Sand			T. Todilto			
T. Drinkard			Morrow	8692'		T. Entrada			
T. Abo	4484'		Upper Yeso	2593'		T. Wingate			
T. Wolfcamp	5559'		Lower Yeso	3916'		T. Chinle			
T. Wolfcamp B Zone			Upper Penn	7570'		T. Permian			
T. Cisco (Bough C)			Chester	8954'		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	From	To	Thickness In Feet	Lithology

OPERATOR: YATES PETROLEUM CORP.
WELL/LEASE: DESIREE BDG #1
COUNTY: EDDY

510-5053

STATE OF NEW MEXICO
DEVIATION REPORT

203	1/4
390	2
592	1 3/4
772	3/4
1,025	1 1/2
1,594	1 1/4
1,847	1 3/4
2,102	1
2,574	1 1/4
2,828	1 1/4
3,080	3/4
3,334	3/4
3,584	1 1/4
3,840	1 1/4
4,092	1
4,566	1 1/4
5,041	3/4
5,516	3/4
5,990	1
6,465	3/4
6,938	1
7,128	1/2
7,379	2
7,475	1 3/4
7,600	1
7,852	1 1/2
8,074	3/4
8,574	2 1/2
9,050	5

RECEIVED

MAY 24 2004

OCB-ARTESIA

By: 

STATE OF TEXAS

COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 25th day of February, 2004, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.


Notary Public for Midland County, Texas

My Commission Expires: 4/08/2007

