

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. 30-015-33938 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.
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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 checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. DHC-3566			7. Lease Name or Unit Agreement Name Louise AYI <div style="text-align: right;">RECEIVED</div> <div style="text-align: right;">DEC 21 2005</div> <div style="text-align: right;">OOO-ARTESIA</div>		
2. Name of Operator Yates Petroleum Corporation			8. Well No. 2		
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471			9. Pool name or Wildcat Burton Flat Morrow		
4. Well Location Unit Letter <u>B</u> : <u>990</u> Feet From The <u>North</u> Line and <u>1550</u> Feet From The <u>East</u> Line Section <u>25</u> Township <u>21S</u> Range <u>26E</u> NMPM <u>Eddy</u> County					
10. Date Spudded RH 6/6/05 RT 6/11/05	11. Date T.D. Reached 7/27/05	12. Date Compl. (Ready to Prod.) 12/6/05	13. Elevations (DF& RKB, RT, GR, etc.) 3167'GR 3185'KB	14. Elev. Casinghead	
15. Total Depth 11,650'	16. Plug Back T.D. 11,300'	17. If Multiple Compl. How Many Zones? 3	18. Intervals Drilled By Rotary Tools 40'-11,650'	Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 11,016'-11,256' Morrow				20. Was Directional Survey Made No	
21. Type Electric and Other Logs Run Density/Neutron, Hi-Res Laterolog Array, CBL				22. Was Well Cored No	
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"		
13-3/8"	48#	598'	17-1/2"	1455 sx (circ)	
9-5/8"	36#	2367'	12-1/4"	1600 sx (circ)	
7"	23# & 26#	8800'	8-3/4"	1080 sx (TOC 1850'est)	
4-1/2"	11.6#	11,650'	6-1/8"	300 sx (TOC 7388'CBL)	
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					DEPTH SET
					PACKER SET
					2-7/8"
					9974'
					9974'
26. Perforation record (interval, size, and number) 11,398'-11,408' (60) 11,034'-11,056' (132) 10,038'-10,048' (60) 11,104'-11,256' 10,432'-10,454' (132) 11,016'-11,026' (60) 10,156'-10,170' (15)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED <div style="text-align: center; padding: 5px;">SEE ATTACHED SHEET</div>		
28. PRODUCTION					
Date First Production 12/7/05		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod. or Shut-in) Producing	
Date of Test 9/12/05	Hours Tested 24 hrs	Choke Size 3/8"	Prod'n For Test Period Oil - Bbl. 0	Gas - MCF 282	Water - Bbl. 0
Flow Tubing Press. 70 psi	Casing Pressure Packer	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 282	Water - Bbl. 0
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold			Test Witnessed By B. Wallace		
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 <u>Tina Huerta</u>		Printed Name <u>Tina Huerta</u>		Title <u>Regulatory Compliance Supervisor</u> Date <u>December 15, 2005.</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 10,038'	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 10,416'	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 2645'	T. Todilto	
T. Drinkard	T. Bone Spring 4818'	T. Entrada	
T. Abo	T. 3 rd Bone Spring 8290'	T. Wingate	
T. Wolfcamp 8707'	Upper Penn	T. Chinle	
T. Wolfcamp B Zone	T. Morrow 10,956'	T. Permian	
T. Cisco	Chester	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

Yates Petroleum Corporation
Louise AYI #2
Section 25-T21S-R26E
Eddy County, New Mexico

Form C-105 continued:

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

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
11,398'-11,408'	Acidize w/1000g 7-1/2% Morrow acid
11,398'-11,408'	Squeeze w/200 sx "H"
11,104'-11,256'	Acidize in 4 stages w/750g 7-1/2% Morrow acid
11,016'-11,056'	Acidize w/2000g 7-1/2% Morrow acid and 200 balls
11,016'-11,056'	Frac w/30,000g 40# binary 70Q CO2 and 75K 18/40 Versaprop
10,432'-10,454'	Acidize w/750g MSA acid
10,432'-10,454'	Frac w/12,000g 70Q CO2 foam and 28,800# 18/40 Ultraprop
10,156'-10,170'	Acidize w/1500g 15% IC acid
10,038'-10,048'	Acidize w/1000g 7-1/2% IC acid