

Submit To Appropriate District Office -Two 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 <b>RECEIVED</b> Oil Conservation Division 1220 South St. Francis Dr. <b>HOBBS</b> NM 87505 DEC 14 2010	Form C-105 July 17, 2008 1. WELL API NO. 30-015-37126 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No. V-3346								
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>										
4. Reason for filing: <input checked="" type="checkbox"/> <b>COMPLETION REPORT</b> (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> <b>C-144 CLOSURE ATTACHMENT</b> (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)		5. Lease Name or Unit Agreement Name Loving AIB State 6. Well Number: 7								
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER										
8. Name of Operator Yates Petroleum Corporation		9. OGRID 025575								
10. Address of Operator 105 South Fourth Street, Artesia, NM 88210		11. Pool name or Wildcat Wildcat; Bone Spring (Gas)								
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County
Surface:	P	16	23S	28E		510	South	660	East	Eddy
BII:										
13. Date Spudded RH 8/9/10 RT 8/13/10	14. Date T.D. Reached 8/22/10	15. Date Rig Released 8/25/10		16. Date Completed (Ready to Produce) 10/21/10			17. Elevations (DF and RKB, RT, GR, etc.) 3032'GR 3051'KB			
18. Total Measured Depth of Well 7609'		19. Plug Back Measured Depth 6754'		20. Was Directional Survey Made? Yes (Attached)			21. Type Electric and Other Logs Run CNL, Hi-Res Laterolog Array, CBL			
22. Producing Interval(s), of this completion - Top, Bottom, Name 6430'-6530' Bone Spring										
<b>CASING RECORD (Report all strings set in well)</b>										
CASING SIZE		WEIGHT LB./FT.		DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED
20"		Cond.		80'		26"		Redi-mix to surface		
13-3/8"		48#		308'		17-1/2"		350 sx (circ)		
8-5/8"		24#, 32#		2490'		11"		800 sx (circ)		
5-1/2"		15.5#, 17#		7609'		7-7/8"		985 sx (TOC 1990'calc)		
<b>LINER RECORD</b>										
24. SIZE	TOP	BOTTOM	SACKS CEMENT		SCREEN		<b>TUBING RECORD</b>			
							SIZE	DEPTH SET	PACKER SET	
							2-7/8"	6595'		
26. Perforation record (interval, size, and number) 6934'-6942' (9)    6430'-6446' (17) 6878'-6888' (11)    6474'-6500' (27) 6840'-6860' (21)    6514'-6530' (17) 6804'-6814' (11)						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL    AMOUNT AND KIND MATERIAL USED SEE ATTACHED SHEET				
<b>PRODUCTION</b>										
Date First Production 10/22/10		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping				Well Status (Prod. or Shut-in) Producing				
Date of Test 11/20/10	Hours Tested 24 hrs	Choke Size NA	Prod'n For Test Period	Oil - Bbl 1	Gas - MCF 171	Water - Bbl. 7	Gas - Oil Ratio NA			
Flow Tubing Press. NA	Casing Pressure NA	Calculated 24-Hour Rate	Oil - Bbl. 1	Gas - MCF 171	Water - Bbl. 7	Oil Gravity - API - (Corr.) NA				
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold							30. Test Witnessed By J. Elizondo			
31. List Attachments										
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.										
33. If an on-site burial was used at the well, report the exact location of the on-site burial:										
Latitude Longitude NAD 1927 1983										
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief										
Signature <i>Tina Huerta</i>		Printed Name Tina Huerta		Title Regulatory Compliance Supervisor		Date November 22, 2010				
E-mail Address tinah@yatespetroleum.com										

*① Sent to partner 11/29/10*

## 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 and not later than 60 days after completion of closure. When submitted as a completion report, this 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 11, 12 and 26-31 shall be reported for each zone.

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 A
T. Salt	T. Strawn		T. Kirtland	T. Penn. "B
B. Salt	T. Atoka		T. Fruitland	T. Penn. "C
T. Yates	T. Miss		T. Pictured Cliffs	T. Penn. "D
T. 7 Rivers	T. Devonian		T. Cliff House	T. Leadville
T. Queen	T. Silurian		T. Menefee	T. Madison
T. Grayburg	T. Montoya		T. Point Lookout	T. Elbert
T. San Andres	T. Simpson		T. Mancos	T. McCracken
T. Glorieta	T. McKee		T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger		Base Greenhorn	T. Granite
T. Blinébry	T. Gr. Wash		T. Dakota	
T. Tubb	T. Delaware Sand	2596'	T. Morrison	
T. Drinkard	T. Bone Springs		T. Todillo	
T. Abo	T. Castille	294'	T. Entrada	
T. Wolfcamp	T. Cherry Canyon	3466'	T. Wingate	
T. Penn	T. Brushy Canyon	4670'	T. Chinle	
T. Cisco	T. Bone Spring	6250'	T. Permian	

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

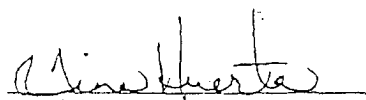
From	To	Thickness In Feet	Lithology

Yates Petroleum Corporation  
Loving AIB State #7  
Section 16-T23S-R28E  
Eddy County, New Mexico  
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Form C-105 continued:

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

<u>Depth Interval</u>	<u>Amount and Kind Material Used</u>
6804'-6942'	Acidized w/2500g 7-1/2% HCL acid w/100 balls Frac w/YF130ST, 25,000# 40/70 Jordan-Unimin, 58,420# 20/40 Jordan-Unimin, 51,780# 20/40 Super LC
6430'-6530'	Acidized w/2500g 7-1/2% IC HCL acid w/100 balls Frac w/135,550g slickwater and 30# x-linked gel, 26,940# 40/70 83,100# 20/30 white sand, 23,900# 20/40 RCS

  
Regulatory Compliance Supervisor  
November 22, 2010