Submit To Appropriate District Office State of New Mexico Form C-105 Two Copies Resources July 17, 2008 District i 1625 N. French Dr., Hobbs, NM 88240 1. WELL API NO. District II 30-015-37126 1301 W. Grand Avenue, Artesia, NM 88210 **DEC** Oil Conservation Division 1220 Polyth St. Francis Dr. Type of Lease District III 1000 Rio Brazos Rd., Aztec, NM 87410 STATE ☐ FEE ☐ FED/INDIAN 3. State Oil & Gas Lease No. HOBBS@@JJe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505 V-3346 WELL COMPLETION OR RECOMPLETION REPORT AND LOG 5. Lease Name or Unit Agreement Name 4. Reason for filing: Loving AIB State AMENDED 6. Well Number: COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee we C-144 CLOSURE ATTACHMENT (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) 7. Type of Completion: ☑ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER 8. Name of Operator 9. OGRID Yates Petroleum Corporation 025575 10. Address of Operator 11. Pool name or Wildcat 105 South Fourth Street, Artesia, NM 88210 Culebra Bluff; Bone Spring, South (Oil) 12.Location Unit Ltr Section Township Range Lot Feet from the N/S Line Feet from the EAW Line County Surface: Ъ 16 238 28E 510 South 660 East Eddy BH: 13. Date Spudded 14. Date T.D. Reached 15. Date Rig Released 16. Date Completed (Ready to Produce) 17. Elevations (DF and RKB. 8/25/10 RT, GR, etc.) RH 8/9/10 8/22/10 3032'GR 3051'KB RT 8/13/10 18. Total Measured Depth of Well 19. Plug Back Measured Depth 20. Was Directional Survey Made? 21. Type Electric and Other Logs Run 6754 76093 Yes (Attached) CNL, Hi-Res Laterolog Array, 22. Producing Interval(s), of this completion - Top, Bottom, Name 6430'-6530' Bone Spring CASING RECORD (Report all strings set in well) CASING SIZE WEIGHT LB./FT DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED 20" 80' 26" Redi-mix to surface Cond. 13-3/8 48# 308 17-1/2" 350 sx (circ) 24#, 32# 2490 8-5/8" 11" 800 sx (circ) 7609 5-1/2" 15.5#, 17# 7-7/8" 985 sx (TOC 1990'cale) LINER RECORD 25: ... TUBING RECORD 24 SIZE TOP MOTTOS SACKS CEMENT | SCREEN DEPTH SET PACKER SET SIZE 2-7/8" 65953 26. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. 64301-64461 (17) 69341-69421 (9) DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 68783-68887 (11) 64741-65001 (27) 6\$40'-6860' (21) 6514'-6530' (17) SEE ATTACHED SHEET 6804'-6814' (11) **PRODUCTION** 28 Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) 10/22/10 Pumping Producing Date of Test Figurs Tested Choke Size Oil - Bbl Gas - Oil Ratio Prod'n For Gas - MCF Water - Bbl. 11/28/10 24 hrs NA Tost Period 196 NA Flow Tubing Calculated 24-Oil - Bbl. Casing Pressure Gas - MCF Water - Bbl Oil Gravity - API - (Corr.) Press. NA Hour Rate 6 196 41.5 NA 29. Disposition of Gas (Sold, used for fuel, vented, etc.) 30. Test Witnessed By J. Elizondo 31. List Attachments Logs. Deviation and Directional Survey previously submitted 32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit. 53. If an on-site burial was used at the well, report the exact location of the on-site burial: Latitude 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 Printed Signature (Name Tina Huerta Title Regulatory Compliance Supervisor Date November 29, 2010 E-mail Address tinah@vatespetroleum.com

Amended

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. Canyon		T. Ojo Alamo	T. Penn A		
T. Strawn		T. Kirtland	T. Penn. "B		
T. Atoka		T. Fruitland	T. Penn. "C		
T. Miss		T. Pictured Cliffs	T. Penn. "D		
T. Devonian	T. Devoniari		T. Leadville		
T. Silurian	T. Silurian		T. Madison		
T. Montoya	T. Montoya		T. Elbert		
T. Simpson	T. Simpson		T. McCracken		
T. McKee	T. McKee		T. Ignacio Otzte		
T. Ellenburger		Base Greenhorn	T.Granite		
T. Gr. Wash		T. Dakota			
T. Delaware Sand	2596'	T. Morrison			
T. Bone Springs		T.Todilto			
T. Castille	294'	T. Entrada			
T. Cherry Canyon	3466'	T. Wingate			
T. Brushy Canyon	4670'	T. Chinle			
T. Bone Spring	6250'	T. Permian			
	T. Canyon T. Strawn T. Atoka T. Miss T. Devonian T. Silurian T. Montoya T. Simpson T. McKee T. Ellenburger T. Gr. Wash T. Delaware Sand T. Bone Springs T. Castille T. Cherry Canyon T. Brushy Canyon	T. Canyon T. Strawn T. Atoka T. Miss T. Devonian T. Silurian T. Montoya T. Simpson T. McKee T. Ellenburger T. Gr. Wash T. Delaware Sand T. Bone Springs T. Castille 294' T. Cherry Canyon 3466' T. Brushy Canyon 4670'	T. Canyon T. Strawn T. Strawn T. Kirtland T. Atoka T. Fruitland T. Miss T. Pictured Cliffs T. Devonian T. Cliff House T. Silurian T. Menefee T. Montoya T. Point Lookout T. Simpson T. Mancos T. Mancos T. McKee T. Gallup T. Ellenburger Base Greenhorn T. Gr. Wash T. Delaware Sand T. Delaware Sand T. Delaware Sand T. Castille T. Castille T. Castille T. Castyon T. Brushy Canyon T. Chinle		

T. Cisco	T. Bone Spring	6250' T. Permian	
			OIL OR GAS
			SANDS OR ZONE
No. 1, from	to	No. 3, from	to
No. 2, from	to	No. 4, from	to
		ANT WATER SANDS	
Include data on rate of	water inflow and elevation to which	ch water rose in hole.	
No. 1, from	toto	feet,,	
No. 2, from	toto	feet	***************************************
	TIMETAL ACTIONS		

LITHOLOGY RECORD (Attach	additional sheet if necessary)
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From	То	Thickness In Feet	Lithology]	From	То	Thickness In Feet	Lithology
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			Cinc. 1º					
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Yates Petroleum Corporation Loving AIB State #7 Section 16-T23S-R28E Eddy County, New Mexico Page 3

Form C-105 continued:

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

Amount and Kind Material Used Depth Interval

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

Acidized w/2500g 7-1/2% IC HCL acid w/100 balls 6430'-6530'

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 29, 2010