

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. 30-005-63501 5. Indicate Type of Lease STATE ☐ FEE ☒ State Oil & Gas Lease No.
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR.			7. Lease Name or Unit Agreement Name MEC Com RECEIVED		
2. Name of Operator Yates Petroleum Corporation DHC-3240			8. Well No. 2 FEB 25 2004 OCD-ARTESIA		
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471 CHINA DRAW			9. Pool name or Wildcat Wildcat Wolfcamp GAS		
4. Well Location Unit Letter <u>Lot 6</u> : <u>1850</u> Feet From The <u>South</u> Line and <u>1140</u> Feet From The <u>West</u> Line Section <u>6</u> Township <u>7S</u> Range <u>23E</u> NMPM Chaves County					
10. Date Spudded RH 10/12/03 RT 10/20/03	11. Date T.D. Reached 11/9/03	12. Date Compl. (Ready to Prod.) 12/15/03	13. Elevations (DF& RKB, RT, GR, etc.) 4122'GR 4133'KB	14. Elev. Casinghead	
15. Total Depth 4180'	16. Plug Back T.D. 3650'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools 40'-4180'	Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 3511'-3522' Wolfcamp				20. Was Directional Survey Made No	
21. Type Electric and Other Logs Run CNL, Azimuthal Laterolog, Borehole Compensated Sonic, CBL				22. Was Well Cored No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE 20"	WEIGHT LB./FT. Conductor	DEPTH SET 40'	HOLE SIZE 14-3/4"	CEMENTING RECORD 2000sx	AMOUNT PULLED circ
9-5/8"	36#	1246'	7-7/8"	750 sx	TOC 1960' CBL
4-1/2"	11.6#	4180'			
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					2-3/8"
					2730'
					2730'
26. Perforation record (interval, size, and number) See Attached Sheet			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED See Attached Sheet		
28. PRODUCTION					
Date First Production 12/16/03		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod. or Shut-in) Producing	
Date of Test 1/2/04	Hours Tested 24 hrs	Choke Size 22/64"	Prod'n For Test Period Oil - Bbl 0	Gas - MCF 92	Water - Bbl. 0
Flow Tubing Press. 105 psi	Casing Pressure Packer	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 92	Water - Bbl. 0
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold			Test Witnessed By Hatch		
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>February 27, 2004</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 3967'	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	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 558'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	
T. Blinebry	T. Gr. Wash	T. Morrison	
T. Tubb 2154'	T. Delaware Sand	T. Todilto	
T. Drinkard	T. Bone Springs	T. Entrada	
T. Abo 2781'	T. Penrose	T. Wingate	
T. Wolfcamp 3192'	T. Yeso 714'	T. Chinle	
T. Wolfcamp B Zone	T. Spear	T. Permian	
T. Cisco 3957'	T. Pre-Cambrian 3979'	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

Yates Petroleum Corporation
MEC Com #2
Section 6-T7S-R23E
Chaves County, New Mexico

Form C-105 continued:

26. Perforation Record (interval, size, and number)

4102'-4116' (56)	3812'-3816' (16)	2844'-2860' (17)
3700'-3704' (16)	3818'-3828' (40)	2876'-2886' (4)
3740'-3746' (24)	3833'-3839' (24)	2911'-2915' (5)
3754'-3758' (16)	3511'-3522' (66)	2938'-2950' (13)
3802'-3808' (24)	2816'-2836' (21)	2956'-2966' (11)

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

<u>Depth Interval</u>	<u>Amount and Kind Material Use</u>
4102'-4116'	Acidize w/700g 7-1/2% IC acid and 84 balls
3802'-3839'	Acidize w/1200g 7-1/2% IC acid
3700'-3758'	Acidize w/700g 7-1/2% IC acid
3511'-3522	Acidize w/1100g 7-1/2% IC acid and 99 balls Frac w/58,000g 65Q CO2 foam and 85,000# 20/40 Ottawa sand
2816'-2966'	Frac w/112,000g 52Q CO2 foam 35# x-linked gelled 7% KCL water carrying 285,000# 16/30 Brady sand

INCLINATION REPORT

LOCATION

	NAME OF COMPANY
	KEY ENERGY DRILLING, INC.
CHOYR GILBERT - CONTRACT MANAGER	TELEPHONE NUMBER (915) 620-0300