

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 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. 30-025-37454 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. VA-1790
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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 <u>CONFIDENTIAL</u> 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.				7. Lease Name or Unit Agreement Name <div style="text-align: center;">New Grass State Unit</div>	
2. Name of Operator Yates Petroleum Corporation				8. Well No. 3	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471				9. Pool name or Wildcat Grassland; Austin (Gas)	
4. Well Location Unit Letter <u>P</u> : <u>660</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>East</u> Line (BHL) Unit <u>665</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>East</u> Line Section <u>15</u> Township <u>15S</u> Range <u>34E</u> NMPM <u>Lea</u> County					
10. Date Spudded 3-7-06 RH 3-19-06 RT		11. Date T.D. Reached 5-31-06		12. Date Compl. (Ready to Prod.) 6-19-06	
13. Elevations (DF& RKB, RT, GR, etc) 4079' GR, 4099' KB		14. Elev. Casinghead			
15. Total Depth 13549'		16. Plug Back T.D. 13494'		17. If Multiple Compl. How Many Zones? 40-13549'	
18. Intervals Drilled By Rotary Tools Cable Tools				19. Producing Interval(s), of this completion - Top, Bottom, Name 13438-13472' Austin	
20. Was Directional Survey Made Yes				21. Type Electric and Other Logs Run BCS, CNL, Laterolog, 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'	
13-3/8"		48#		430'	
9-5/8"		36#, 40#		6176'	
5-1/2"		17#		13549'	
24. LINER RECORD		25. TUBING RECORD			
SIZE TOP BOTTOM SACKS CEMENT SCREEN		SIZE DEPTH SET PACKER SET			
26. Perforation record (interval, size, and number) 13438-72' w/70 .42" holes		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND OF MATERIAL USED 13438-72' 1500 gal 20% NEFEC w/75 balls			
28. PRODUCTION					
Date First Production 6-28-06		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) Producing
Date of Test 6-30-06		Hours Tested 24		Choke Size 3/8"	
Prod'n For Test Period 15		Oil - Bbl 2418		Gas - MCF 0	
Flow Tubing Press. 1200#		Casing Pressure 15		Gas - Oil Ratio 2418	
Calculated 24-Hour Rate 15		Oil - Bbl 2418		Gas - MCF 0	
Water - Bbl. 0		Oil Gravity - API - (Corr.)			
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By Daniel Palacios
30. List Attachments Deviation Report, Directional Survey, Logs					
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>Stormi Davis</u>		Printed Name: Stormi Davis		Title: Regulatory Compliance Technician Date: 7-3-06	
E-mail Address: stormid@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 12019'	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 12196'	T. Pictured Cliffs	T. Penn. "D"
T. Yates 2943'	T. L. Miss Lm	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 4516'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 6066'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T
T. Blinebry	T. Gr. Wash	T. Morrison	T
T. Tubb 7348'	T. Delaware	T. Todilto	T
T. Drinkard	T. Bone Springs	T. Entrada	T
T. Abo 8090'	T. Rustler 1782'	T. Wingate	T
T. Wolfcamp Lm 9718'	T. Morrow 12972'	T. Chinle	T
T. Penn	T. Austin 13438'	T. Permian	T
T. Cisco (Bough C) 10836'	T. Chester Lm	T. Penn "A"	T

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