

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. 30-025-38017 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. VA-1946
--	---	---

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input 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. 2. Name of Operator Yates Petroleum Corporation 3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (505) 748-1471 4. Well Location Unit Letter <u>D</u> : <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>23</u> Township <u>10S</u> Range <u>34E</u> NMPM <u>Lea</u> County	7. Lease Name or Unit Agreement Name Merle State Unit 8. Well No. 8 9. Pool name or Wildcat Lane; Abo, Southeast
--	--

10. Date Spudded 10-20-06 RH 11-6-06 RT	11. Date T.D. Reached 12-14-06	12. Date Compl. (Ready to Prod.) 1-2-07	13. Elevations (DF& RKB, RT, GR, etc.) 4119' GR	14. Elev. Casinghead
15. Total Depth 10050'	16. Plug Back T.D. 10005'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools 40-10050'	Cable Tools N/A
19. Producing Interval(s), of this completion - Top, Bottom, Name 9030-9074' Abo				20. Was Directional Survey Made No
21. Type Electric and Other Logs Run BCS, Laterolog, CNL, 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'			
13-3/8"	48#	428'	17-1/2"	400 sx (circ)	
9-5/8"	36#, 40#	4150'	12-1/4"	1550 sx (circ)	
5-1/2"	17#	10050'	8-3/4"	1850 sx (TOC @ 3630' calc)	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	9000'	8994'

26. Perforation record (interval, size, and number)
 9030-46' (17), 9048-52' (5), 9054-56' (3) and 9062-74' (13) for total of 38 .42" holes

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
9030-9074'	5000 gal 15% NEFE acid w/50 balls

28. PRODUCTION

Date First Production 1-19-07		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod. or Shut-in) Producing		
Date of Test 1-21-07	Hours Tested 24	Choke Size 19/64"	Prod'n For Test Period	Oil - Bbl 78	Gas - MCF 69	Water - Bbl. 0
Flow Tubing Press. 300#	Casing Pressure 150#	Calculated 24-Hour Rate	Oil - Bbl. 78	Gas - MCF 69	Water - Bbl. 0	Oil Gravity - API - (Corr.)

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Sold

Test Witnessed By
Martel Ramirez

30. List Attachments
 Logs, Deviation Report

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: Stormi Davis Printed Name: Stormi Davis Title: Regulatory Compliance Technician Date: 1-23-07
 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	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 2824'	T. L. Miss	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 4077'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 5532'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T
T. Blinebry	T. Gr. Wash	T. Morrison	T
T. Tubb 7000'	T. Delaware Sand	T. Todilto	T
T. Drinkard	T. Bone Springs	T. Entrada	T
T. Abo 7802'	T. Rustler 2174'	T. Wingate	T
T. Wolfcamp 9093'	T. Morrow	T. Chinle	T
T. Upper Penn 9816'	T. Austin Cycle	T. Permian	T
T. Cisco (Bough C)	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