

OPERATOR YATES PETROLEUM CORP.  
WELL/LEASE Mescalero ARL ST. COM. 3  
COUNTY LEA

497-3622

STATE OF NEW MEXICO  
DEVIATION REPORT

166	0.50
401	0.50
770	1.00
1,183	1.00
1,564	0.50
1,881	0.50
2,199	0.75
2,484	0.75
3,088	0.75
3,459	1.00
4,383	1.00
4,857	0.50
5,363	0.25
6,126	1.00
6,631	0.75
7,039	0.75
7,517	0.50
7,994	1.50
8,121	1.25
8,375	1.00
8,954	1.50
9,081	1.75
9,208	1.25
9,589	1.25
9,841	0.50
10,095	1.75
10,349	1.75
10,542	1.50

RECEIVED  
MAY 14 2008  
HOBBS OCD

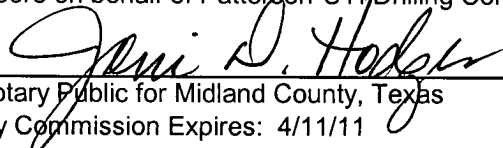
STATE OF TEXAS

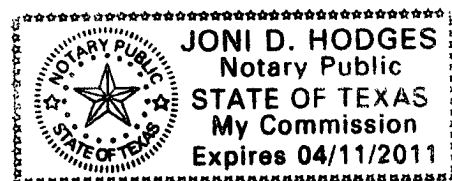
COUNTY OF MIDLAND

BY: 

The foregoing instrument was acknowledged before me on  
Moore on behalf of Patterson-UTL Drilling Company LLC.

March 24, 2008 , by Steve

  
Notary Public for Midland County, Texas  
My Commission Expires: 4/11/11



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  
Oil and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
MAY 15 2008  
HOBBS OGD

Form C-105  
Revised June 10, 2003

WELL API NO. ☒  
30-025-38390

5. Indicate Type of Lease  
STATE ☒ FEE ☐

State Oil & Gas Lease No.  
VA-0621

## 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

Mescalero ARL State

2. Name of Operator  
Yates Petroleum Corporation

8. Well No  
3

3. Address of Operator  
105 South Fourth Street, Artesia, NM 88210 (575) 748-1471

9. Pool name or Wildcat  
Wildcat; Atoka

4. Well Location

Unit Letter N 660 Feet From The South Line and 1980 Feet From The West Line

Section 2 Township 10S Range 32E NMPM Lea County

10. Date Spudded RH 2/7/08  
RT 2/12/08  
11. Date T.D. Reached 3/18/08  
12. Date Compl. (Ready to Prod) 5/1/08  
13. Elevations (DF& RKB, RT, GR, etc) 4280'GR  
4300'KB  
14. Elev. Casinghead

15. Total Depth 10,542'  
16. Plug Back T.D. 10,360'  
17. If Multiple Compl How Many Zones?  
18. Intervals Drilled By  
Rotary Tools 40'-10,542'  
Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name  
10,313'-10,321' Atoka  
20. Was Directional Survey Made  
No

21. Type Electric and Other Logs Run  
CNL, Hi-Res Laterolog Array, Borehole Compensated Sonic, 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
16"	Conductor	40'	26"	Redi-mix	
11-3/4"	42#	431'	14-3/4"	380 sx (circ)	
8-5/8"	24#, 32#	3500'	11"	1200 sx (circ)	
5-1/2"	17#	10,542'	7-7/8"	1040 sx (TOC 6600'calc)	

### 24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

### 25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	10,205'	10,205'

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

10,378'-10,384' (36)  
10,394'-10,406' (72)  
10,313'-10,321' (48)

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

DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED  
10,378'-10,406' Acidize with 1500g 7-1/2% Morrow acid with  
119 balls

### 28. PRODUCTION

Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in)  
SIWOPL

Date of Test 4/13/08 Hours Tested 24 hrs Choke Size 3/8" Prod'n For Test Period Oil - Bbl 6 Gas - MCF 2930 Water - Bbl 1 Gas - Oil Ratio NA

Flow Tubing Press 850 psi Casing Pressure Packer Calculated 24-Hour Rate Oil - Bbl 6 Gas - MCF 2930 Water - Bbl 1 Oil Gravity - API - (Corr) NA

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

Test Witnessed By

Sold when produced

M. Allen

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 Tina Huerta Printed. Name Tina Huerta Title Regulatory Compliance Supervisor Date May 13, 2008  
E-mail Address tinah@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 9518'	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 9956'	T. Pictured Cliffs	T. Penn. "D"
T. Yates 2188'	T. Miss 10,408'	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 3434'	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 4804'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	
T. Blinebry	T. Gr. Wash	T. Morrison	
T. Tubb 6260'	T. Delaware Sand	T. Todilto	
T. Drinkard	T. Rustler 1612'	T. Entrada	
T. Abo 7102'		T. Wingate	
T. Wolfcamp 8265'		T. Chinle	
T. Upper Penn 8636'		T. Permian	
T. Cisco		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