

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. 30-025-38396			
		Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>			
		State Oil & Gas Lease No. V-5560			
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 <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Merle State Unit	
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.				8 Well No. 14	
2. Name of Operator Yates Petroleum Corporation				9. Pool name or Wildcat Lane; Abo, Southeast	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 (575) 748-1471					
4. Well Location Unit Letter <u>L</u> : <u>1980</u> Feet From The <u>South</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>10S</u> Range <u>34E</u> NMPM <u>Lea</u> County					
10. Date Spudded 5/06/08 RH 5/10/08 RT		11. Date T.D. Reached 6/05/08		12. Date Compl. (Ready to Prod.) 7/02/08	
				13. Elevations (DF& RKB, RT, GR, etc.) 4171' GR, 4189' KB	
14. Elev. Casinghead					
15. Total Depth 9187'		16. Plug Back T.D. 9160'		17. If Multiple Compl. How Many Zones?	
				18. Intervals Drilled By Rotary Tools 40-9187'	
				Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 9041-9070' Abo				20. Was Directional Survey Made No	
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		WEIGHT LB./FT.		DEPTH SET	
16"		Conductor		40'	
11-3/4"		42#		426'	
8-5/8"		24#, 32#		4198'	
5-1/2"		15.5 & 17#		9187'	
24. LINER RECORD					
SIZE		TOP		BOTTOM	
SACKS CEMENT		SCREEN			
25. TUBING RECORD					
SIZE		DEPTH SET		PACKER SET	
2-7/8"		9117'			
26 Perforation record (interval, size, and number) 9041-9070' (58) .40"					
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.					
DEPTH INTERVAL			AMOUNT AND KIND MATERIAL USED		
9041-9070'			Acidized w/2500 gal 15% NEFE acid & 75 balls		
			Frac w/29,900 gal 25# Borate gel w/10,000# 20/40 Tempered DC		
28 PRODUCTION					
Date First Production 7/04/08		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping		Well Status (Prod. or Shut-in) Producing	
Date of Test 7/13/08		Hours Tested 24		Choke Size NA	
Prod'n For Test Period		Oil - Bbl 29		Gas - MCF 0	
Water - Bbl. 6		Gas - Oil Ratio NA			
Flow Tubing Press. 200#		Casing Pressure 55#		Calculated 24-Hour Rate	
Oil - Bbl. 29		Gas - MCF 0		Water - Bbl. 6	
Oil Gravity - API - (Corr.) NA					
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold when produced				Test Witnessed By Daniel Palacios	
30. List Attachments Logs & 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: Allison Barton		Printed Name: Allison Barton		Title: Regulatory Compliance Technician	
E-mail Address: abarton@ypcnm.com				Date: 7/16/08	

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	2827' 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	4090' T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	5536' T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T
T. Blinebry	T. Gr. Wash	T. Morrison	T
T. Tubb	6994' T. Delaware Sand	T. Todilto	T
T. Drinkard	T. Bone Springs	T. Entrada	T
T. Abo	7796' T. Rustler	2157' T. Wingate	T
T. Wolfcamp	9087' T. Morrow	T. Chinle	T
T. Upper Penn	T. Austin	T. Permian	T
T. Cisco (Bough C)		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

REFERENCE SHEET FOR
UNDESIGNATED WELLS

	Fm	Pm	N	Pc
07-11 C	XX	XX		XX

paragraph

1. Date: 8/14/2008	
2 Type of Well:	
Oil:	Gas:
3. County LEA	

4 Operator YATES PETROLEUM CORP		API NUMBER 30 - 025 - 38396	
5 Address of Operator 105 SOUTH 4TH ST ARTESIA, NM 88210			
6 Lease name or Unit Agreement Name MERLE STATE UNIT		7 Well Number # - 14	
8 Well Location Unit Letter L 1980 feet from the S line and 660 feet from the W line Section 13 Township 10S Range 34E			
9 Completion Date 7/2/2008		11 Perfs Top 9041	Bottom 9070
10 Name of Producing Formation(s) ABO		12 Open Hole Casing shoe	Bottom 9160
13 C-123 Filed Y N XX	Date	15. Name of Pool Requested or temporary Wildcat designation LANE;ABO, SOUTHEAST	Pool ID num 36676
16 Remarks EXTEND			

TO BE COMPLETED BY DISTRICT GEOLOGIST			
17 Action taken EXTEND	18 Pool Name LANE;ABO, SOUTHEAST	Pool ID num 36676	
<p>T 10 S, R 34 E</p> <p>SEC 9: W/2</p> <p>SEC 13: SW/4</p>			

19 Advertised for HEARING		20 Case Number	
21 Name of pool for which was advertised LANE;ABO, SOUTHEAST		Pool ID num 36676	
22 Placed in Pool		23 By order number R-	