

Submit To Appropriate District Office Two 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 87401 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 July 17, 2008											
1. WELL API NO. <div style="text-align: right;">30-025-37920</div>		2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN														
3. State Oil & Gas Lease No. <div style="text-align: right;">VA-2150</div>																
WELL COMPLETION OR RECOMPLETION REPORT AND LOG																
4. Reason for filing. <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)			5. Lease Name or Unit Agreement Name <div style="text-align: center;">Faron State Unit</div>													
6. Well Number: <div style="text-align: center;">2</div>																
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER <u>DRY</u>																
8. Name of Operator Yates Petroleum Corporation			9. OGRID <div style="text-align: center;">025575</div>													
10. Address of Operator 105 South Fourth Street, Artesia, NM 88210			11. Pool name or Wildcat <div style="text-align: center;">Button Mesa; Upper Penn, South</div>													
12. Location	Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County						
Surface:	L	5	9S	32E		1650	South	660	West	Lea						
BH:																
13. Date Spudded 6/29/06 RH 6/28/07 RT	14. Date T D Reached 8/12/07	15. Date Rig Released 8/15/07		16. Date Completed (Ready to Produce) 9/16/08		17. Elevations (DF and RKB, RT, GR, etc) 4415' GR; 4439' KB										
18. Total Measured Depth of Well 11,150'		19. Plug Back Measured Depth NA		20. Was Directional Survey Made? No		21. Type Electric and Other Logs Run CBL-VDL-GR-CCL, CNL, Micro-CFL, BCS										
22. Producing Interval(s), of this completion – Top, Bottom, Name																
23. CASING RECORD (Report all strings set in well)																
CASING SIZE	WEIGHT LB./FT.	DEPTH SET		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED								
13-3/8"	48#	430'		17-1/2"		425 sx (circ)										
9-5/8"	36# & 40#	3576'		12-1/4"		1230 sx (circ)										
5-1/2"	17#	11,150'		8-3/4"		945 sx (TOC 6800' Calc)										
24. LINER RECORD						25. TUBING RECORD										
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN		SIZE	DEPTH SET	PACKER SET								
26. Perforation record (interval, size, and number) 10,872-10,878' (36) 10,042-10,048' (36) 10,066-10,075' (54)						27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>DEPTH INTERVAL</td> <td>AMOUNT AND KIND MATERIAL USED</td> </tr> <tr> <td>10,872'-10,878'</td> <td>Acidized w/500 gal 7-1/2% acid & 50 balls</td> </tr> <tr> <td>10,042-10,075'</td> <td>Acidized w/1000 gal 7-1/2% acid & 100 balls</td> </tr> </table>					DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	10,872'-10,878'	Acidized w/500 gal 7-1/2% acid & 50 balls	10,042-10,075'	Acidized w/1000 gal 7-1/2% acid & 100 balls
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28. PRODUCTION																
Date First Production		Production Method (Flowing, gas lift, pumping – Size and type pump)				Well Status (Prod. or Shut-in) P&A										
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl	Gas - Oil Ratio									
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)										
29. Disposition of Gas (Sold, used for fuel, vented, etc.)						30. Test Witnessed By										
31. List Attachments Logs & Deviation Survey																
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit																
33. If an on-site burial was used at the well, report the exact location of the on-site burial:																
Latitude			Longitude			NAD 1927 1983										
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																
Signature <u>Allison Barton</u>		Printed Name <u>Allison Barton</u>		Title <u>Regulatory Compliance Technician</u>		Date <u>9/30/08</u>										
E-mail Address <u>abarton@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 and not later than 60 days after completion of closure. When submitted as a completion report, this 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 11, 12 and 26-31 shall be reported for each zone.

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 A"
T. Salt		T. Strawn 9548'	T. Kirtland	T. Penn. "B"
B. Salt		T. Atoka 10,479'	T. Fruitland	T. Penn. "C"
T. Yates 2204'		T. Miss (Lower) 10,976'	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers		T. Devonian	T. Cliff House	T. Leadville
T. Queen		T. Silurian	T. Menefee	T. Madison
T. Grayburg		T. Montoya	T. Point Lookout	T. Elbert
T. San Andres 3510'		T. Simpson	T. Mancos	T. McCracken
T. Glorieta 4776'		T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock		T. Ellenburger	Base Greenhorn	T. Granite
T. Blinebry		T. Gr. Wash	T. Dakota	
T. Tubb 6332'		T. Delaware Sand	T. Morrison	
T. Drinkard		T. Bone Springs	T. Todilto	
T. Abo 7202'		T. Rustler 1647'	T. Entrada	
T. Wolfcamp 8297'		T.	T. Wingate	
T. Penn (Upper) 8890'		T.	T. Chinle	
T. Cisco (Bough C)		T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

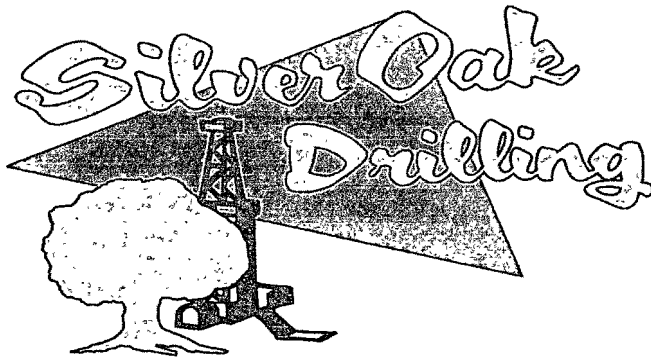
IMPORTANT WATER SANDS

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



PO Box 1370
Artesia, NM 88211-1370
(505) 748-1288

August 22, 2007

Yates Petroleum Corporation
105 S. 4th
Artesia, NM 88211-1395

RE: Faron State Unit #2
1650' FSL & 660' FWL
Sec. 5, T9S, R32E
Lea County, New Mexico

Dear Sir,

The following is the Deviation Survey for the above captioned well.

<u>Depth</u>	<u>Deviation</u>	<u>Depth</u>	<u>Deviation</u>
209.00	2.00	4735.00	1.00
302.00	2.00	5233.00	1.00
645.00	2.00	5732.00	1.00
894.00	1.50	6230.00	0.75
1143.00	1.75	6728.00	0.75
1392.00	2.00	7190.00	1.00
1671.00	2.25	7780.00	1.00
1919.00	1.00	7871.00	0.75
2170.00	0.25	8368.00	0.75
2919.00	1.00	8866.00	0.75
3419.00	1.00	9364.00	0.25
3730.00	0.75	9862.00	0.75
3980.00	1.00	10361.00	0.75
4204.00	1.75	10859.00	1.00
4454.00	1.25		

Very truly yours,

Eddie LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 22nd day of August, 2007.

Notary Public

