Form 3160-4 (April 2004) UNITED STATES FORM APPROVED OMBNO. 1004-0137 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT Expires: March 31, 2007 WELL COMPLETION OR RECOMPLETION REPORT AND LOG Lease Serial No. NM-88884 32322 1a. Type of Well ☐ Oil Well ☐ Gas Well ☐ Dry ☐ Other 6. If Indian, Allottee or Tribe Name b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resvr, . Unit or CA Agreement Name and No. Name of Operator MCKAY OIL CORPORATION Lease Name and Well No. MILLER B FED #5 3 Phone No. (include area code) AFI Well No. Address P. O. Box 2014 30-005-63729 505-623-4735 ROSWELL. NM 88202-2014 10. Field and Pool, or Exploratory Location of Well (Report location clearly and in accordance with Federal requirements)\* RECEIVED At surface 660' FNL, 660' FWL Sec., T., R., M., on Block and Survey or Area SEC 6, T6S, R23E At top prod, interval reported below JAN 1 1 2006 13. State County or Parish **ROD-NATEOM** At total depth 32001 **CHAVES** NM 16. Date Completed 11/22/2005 15. Date T.D. Reached Elevations (DF, RKB, RT, GL)\* 14 Date Spudded 02/05/2005 11/06/2005 4217' D&A ✓ Ready to Prod. 20. Depth Bridge Plug Set: MD 18. Total Depth. MD 19. Plug Back T.D.: MD TVD 3200 TVD TVD 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Was well cored? ✓ No Yes (Submit analysis) Was DST run? ✓No Yes (Submit report) Cement, CNL (Mailed directly to Schlumberger) Directional Survey? ✓ No Yes (Submit copy) 23. Casing and Liner Record (Report all strings set in well) Stage Cementer No. of Sks. & Slurry Vol. (BBL.) Amount Pulled Wt (#/ft.) Hole Size Size/Grade Top (MD) Bottom (MD) Cement Top\* Type of Cement Depth 12 1/4 8 5/8 24# 950 480sks KeyLt 300sks PremP 7 7/8 4 1/2 10.5# 3200' 180sks 50/50P Tubing Record Size Depth Set (MD) Packer Depth (MD) Depth Set (MD) Packer Depth (MD) Size Depth Set (MD) | Packer Depth (MD) 2 3/8 28531 25. Producing Intervals Perforation Record Formation Top Bottom Perforated Interval Size No. Holes Perf Status A) 2958-2978 2958 2978 40 **OPEN** Abo B)  $\overline{C}$ D) 27. Acid, Fracture. Treatment. Cement Squeeze, etc Depth Interval Amount and Type of Material **ZONE A 2958-2978** Acidize w/1050gal 10% NEFE Frac w/17,304gal 70QC02, 136,520lbs 16/30 mesh sand 28. Production - Interval A Oil Gravity Corr. API Gas Gravity Date First Preduction Method Test Date Oil BBL Gas MCF Water BBL Produced Tested Production Flowing 11/22/2005 11/22/2005 261 N/A Water BBL Choke Tbg. Press Gas Gas/Oil Well Status Csu 74 Hr MCF Ratio Flwg Press Size Rate

SI 517 N/A 18/64 525 28a. Production - Interval B Date First Test Hours Test Oil BBL Gas MCF Water Oil Gravity Corr. API Production Method Date Production BBL ACCEPTED FOR RECORD Choke Thy. Press Flwg. 24 Hr. Gas MCF Water BBL Gas/Oi Oil BBL CRIG SGD.I DAVID R. GLASS Ratio Size Rate SI JAN 1 0 2006

\*(See instructions and spaces for additional data on page 2)

DAVID R. GLASS PETROLEUM ENGINEER

Producing

| 201. D I  |                            | 1 C             | · · · · · · · · · · · · · · · · · · · |             |                                   |              |                          |                             |                   |                                       |  |
|---|----------------------------|-----------------|---------------------------------------|-------------|-----------------------------------|--------------|--------------------------|-----------------------------|-------------------|---------------------------------------|--|
| 28b. Production - Interval C  Date First Test Hours Test Oil Gas Water Oil Gravity Gas Production Method  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Produced  | Date                       | Tested          | Production                            | BBL         | Gas<br>MCF                        | BBL          | Corr. API                | Gravity                     | Trouveron Memos   |                                       |  |
| Choke<br>Size   | Tbg. Press.<br>Flwg.<br>SI | Csg.<br>Press.  | 24 Hr.<br>Rate                        | Oil<br>BBL  | Gas<br>MCF                        | Water<br>BBL | Gas/Oil<br>Ratio         | Well Status                 | Well Status       |                                       |  |
| 28c. Production - Interval D  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Date First<br>Produced  | Test<br>Date               | Hours<br>Tested | Test<br>Production                    | Oil<br>BBL  | Gas<br>MCF                        | Water<br>BBL | Oil Gravity<br>Corr. API | Gas<br>Gravity              | Production Method |                                       |  |
| Choke<br>Size   | Tbg. Press.<br>Flwg.<br>SI | Csg.<br>Press.  | 24 Hr.<br>Rate                        | Oil<br>BBL  | Gas<br>MCF                        | Water<br>BBL | Gas/Oil<br>Ratio         | Well Status                 | Well Status       |                                       |  |
| 29. Disp  | position of C              | Gas (Sold,      | used for fuel                         | vented, et  | c.)                               |              |                          |                             |                   | -                                     |  |
| SOLD  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| 30. Sun   | mary of Po                 | rous Zones      | Zones (Include Aquifers):             |             |                                   |              |                          | 31. Formation (Log) Markers |                   |                                       |  |
| Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries. |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Formation   |                            | Тор             | Bottom                                |             | Descriptions, Contents, etc. Name |              |                          |                             | Name              | Top<br>Meas. Depth                    |  |
| Yeso  |                            | 940'            |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Tubb  |                            | 2436'           |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Abo   |                            | 2649'           |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            | 1               |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| 22 4 11   |                            | 1               |                                       | 1           |                                   |              | ···                      |                             |                   |                                       |  |
| 32. Additional remarks (include plugging procedure):  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Logs mailed direct from Schlumberger  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| 33. Indic   | cate which it              | tines have      | been attache                          | d by placii | ng a check in                     | the appropri | iate boxes:              | ····                        |                   | · · · · · · · · · · · · · · · · · · · |  |
| 33. Indicate which itmes have been attached by placing a check in the appropriate boxes:   □ Electrical/Mechanical Logs (1 full set req'd.)  □ Geologic Report □ DST Report □ Directional Survey                  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Sundry Notice for plugging and cement verification Core Analysis Other:   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
|   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Name (please print) Carol Shanks Title Production Analyst   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| ( lat of ) in the   |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |
| Signature Date  |                            |                 |                                       |             |                                   |              |                          |                             |                   |                                       |  |

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.