

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other  
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

2. Name of Operator  
**Energex Resources Corporation**  
3. Address  
**2198 Bloomfield Highway, Farmington, NM 87401**  
3a. Phone No. (include area code)  
**505.325.6800**  
4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface **660' FSL, 1015' FEL SE/SE**  
At top prod. interval reported below  
At total depth

5. Lease Serial No.  
**NMSE 080247**  
6. If Indian, Allottee or Tribe Name  
7. Unit or CA Agreement Name and No.  
8. Lease Name and Well No.  
**Federal 29-9-24 #1S**  
9. API Well No.  
**30-045-33401**  
10. Field and Pool, or Exploratory  
**Basin Fruitland Coal**  
11. Sec., T., R., M., or Block and Survey or Area  
**P-Sec. 24, T29N, R09W NMEM**  
12. County or Parish  
**San Juan**  
13. State  
**NM**  
17. Elevations (DF, RKB, RT, GL)\*  
**6423' GL**

14. Date Spudded  
**01/26/06**  
15. Date T.D. Reached  
**01/30/06**  
16. Date Completed  
☐ D & A ☒ Ready to Prod.  
**03/17/06**  
18. Total Depth: MD  
**3145'**  
TVD  
19. Plug Back T.D.: MD  
**3096'**  
TVD  
20. Depth Bridge Plug Set: MD  
**MD**  
TVD  
**TVD**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**GR-SP-HR Density**  
22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run ☒ No ☐ Yes (Submit report)  
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#ft.) | Top (MD) | Bottom (MD) | Stage Cement Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled     |
|-----------|------------|------------|----------|-------------|--------------------|------------------------------|-------------------|-------------|-------------------|
| 12.25     | 8.625      | 24         |          | 327'        |                    | 210 sks                      |                   |             | 248 cu.ft.- circ. |
| 7.875     | 5.50       | 15.5       |          | 3141'       |                    | 490 sks                      |                   |             | 854 cu.ft.- circ  |
|           |            |            |          |             |                    |                              |                   |             |                   |
|           |            |            |          |             |                    |                              |                   |             |                   |
|           |            |            |          |             |                    |                              |                   |             |                   |
|           |            |            |          |             |                    |                              |                   |             |                   |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375" | 2937'          |                   |      |                |                   |      |                |                   |

25. Producing Intervals

| Formation               | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------------------|-------|--------|---------------------|------|-----------|--------------|
| A) Lower Fruitland Coal | 2922' | 2932'  |                     | 0.43 | 60        | 6 JSPF       |
| B)                      |       |        |                     |      |           |              |
| C) Upper Fruitland Coal | 2760' | 2867'  |                     | 0.43 | 104       | 4 JSPF       |
| D)                      |       |        |                     |      |           |              |

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material   |
|----------------|---|
| 2922' - 2932'  | 107,044 gals 70Q slickwater foam & 5,000# 40/70 sand & 54,700# 20/40 sand   |
| 2760' - 2867'  | 176,712 gals 70Q slickwater foam & 10,000# 40/70 sand & 133,000# 20/40 sand |
|                |   |
|                |   |

28. Production - Interval A

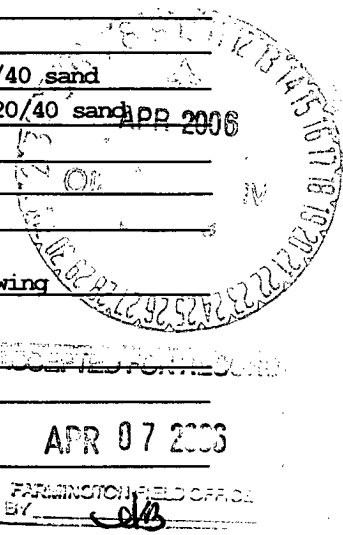
| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
|                     | 03/17/06             | 2            |                 |         |         |           |                |             | flowing           |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr.          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status |                   |
|                     | 150                  | 150          |                 |         | 673     |           |                |             |                   |

28a. Production-Interval B

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
|                     |                      |              |                 |         |         |           |                |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr.          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status |                   |
|                     |                      |              |                 |         |         |           |                |             |                   |

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

NMOC



## 28b. Production - Interval C

| Date First Produced | Test Date            | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-------------------|---------|---------|-----------|----------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. →          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status |                   |

## 28c. Production-Interval D

| Date First Produced | Test Date            | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-------------------|---------|---------|-----------|----------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. →          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status |                   |

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

to be sold

## 30. Summary of Porous Zones (Include Aquifers):

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

## 31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name                | Top         |
|-----------|-----|--------|------------------------------|---------------------|-------------|
|           |     |        |                              |                     | Meas. Depth |
|           |     |        |                              | Nacimiento          |             |
|           |     |        |                              | Ojo Alamo           | 1855'       |
|           |     |        |                              | Kirtland            | 2023'       |
|           |     |        |                              | Fruitland           | 2427'       |
|           |     |        |                              | Fruitland Coal      | 2759'       |
|           |     |        |                              | Fruitland Coal Base | 2935'       |
|           |     |        |                              | Pictured Cliffs     | 2941'       |

32. Additional remarks (include plugging procedure):

33. Indicate which items 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) Vicki DonagheyTitle Regulatory AnalystSignature Vicki DonagheyDate 03/20/06

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.