

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMBNO. 1004-0137
Expires: March 31, 2007

2006 JUN 22 AM 11 08

5. Lease Serial No. **SF 078988**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. **Northeast Blanco Unit**

8. Lease Name and Well No. **NEBU 226**

9. AFI Well No. **30-045-33649**

10. Field and Pool, or Exploratory **Rosa Pictured Cliffs**

11. Sec., T., R., M., on Block and Survey or Area **Sec. 20, T31N, R6W**

12. County or Parish **San Juan** 13. State **NM**

17. Elevations (DF, RKB, RT, GL)* **GL 6,398'**

14. Date Spudded **05/24/2006** 15. Date T.D. Reached **06/04/2006** 16. Date Completed **06/19/2006**
 D & A Ready to Prod.

18. Total Depth: MD **4,084'** 19. Plug Back T.D.: MD **4,023'** 20. Depth Bridge Plug Set: MD
TVD **3,531'** TVD **3,470'** TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **Mud Logs**

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 Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|------------------------------|---------------------|-------------|---------------|
| 12 1/4" | 9-5/8H40 | 32.3# | 0 | 293' | | 175 sx | 37 bbls | Surface | 0 |
| 6 1/4" | 4-1/2J55 | 11.6# | 0 | 4,067' | | Ld X400 sx T1 100 sx | 105 bbls 29 bbls | 500' | 0 |

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 3/8" | 3,993' | | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------------|--------|--------|---------------------|-------|-----------|--------------|
| A) Pictured Cliffs | 3,850' | 4,066 | 3,914' - 3,997' | 0.34" | 21 | Open |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

26. Perforation Record

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

| Depth Interval | Amount and Type of Material |
|-----------------|---|
| 3,914' - 3,997' | Pumped 2486 bbls Delta 140 w/208,892# 20/40 Brady sand. |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|-----------------|-----------------|---------|---------|-----------|-----------------------|-------------|--------------------------------|
| 06/11/2006 | | | → | | | | | | Natural flow tubing |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. 750 | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | 3.6 MM | | | | Waiting on pipeline connection |

28a. Production - Interval B

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

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

ACCEPTED FOR RECORD

JUN 26 2006

FARMINGTON FIELD OFFICE

NMOCD

Smm

28b. Production - Interval C

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

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

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 |
| | | | | Ojo Alamo | 2913 |
| | | | | Kirtland | 3048 |
| | | | | Fruitland | 3499 |
| | | | | Pictured Cliff Tongue | 3850 |
| | | | | Pictured Cliff Main | 3948 |
| | | | | Lewis | 4066 |

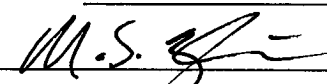
32. Additional remarks (include plugging procedure):

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) Melisa Zimmerman Title Senior Operations Technician

Signature  Date 6-20-06

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.