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.
30-045-33464

5. Indicate Type of Lease
STATE ☐ FEE ☑

State Oil & Gas Lease No.

# WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER SWD

b. Type of Completion:
NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER

7. Lease Name or Unit Agreement Name
Centerpoint SWD

RCVD NOV22'06
OIL CONS. DIV.
DIST. 3

2. Name of Operator
Maralex Disposal, LLC

8. Well No.
1

3. Address of Operator
P.O. Box 338, Ignacio, CO 81137

9. Pool name or Wildcat
Wildcat

4. Well Location
Unit Letter P : 856 Feet From The S Line and 738 Feet From The E Line
Section 24 Township 31N Range 11W NMPM San Juan County

| 10. Date Spudded | 11. Date T.D. Reached | 12. Date Compl. (Ready to Prod.) | 13. Elevations (DF& RKB, RT, GR, etc.) | 14. Elev. Casinghead |
|---|---|---|---|---|
| 4/30/06 | 6/13/06 | 9/08/06 | 5780 GR | |

| 15. Total Depth | 16. Plug Back T.D. | 17. If Multiple Compl. How Many Zones? | 18. Intervals Drilled By | Rotary Tools | Cable Tools |
|---|---|---|---|---|---|
| 8475' | 8355' | | | 0 - 8475' | |

19. Producing Interval(s), of this completion - Top, Bottom, Name
7200-7626' Morrison; 7716-7744' Bluff, 7804-7832' ~~Summerville~~ Bluff

20. Was Directional Survey Made
Yes

21. Type Electric and Other Logs Run
CBL, Gamma Ray, Compensated Neutron

22. Was Well Cored
No

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 | 340 | 17-1/2" | 355 sx | |
| 10-3/4" | 45.5 | 3808 | 12-1/4" | 670 sx | |
| 7" | 32 | 8472 | 9-7/8" | 1300 sx | |
| | | | | | |
| | | | | | |

24. LINER RECORD

| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN |
|---|---|---|---|---|
| | | | | |
| | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|---|---|---|
| 3-1/2" | 7129' N-80 | 9.3# IPC tbg |
| 7" | | 7158' Baker |

11/30/06 lb

26. Perforation record (interval, size, and number)
7200-7214'; 7248-7274'; 7474-7504';
7576-7626'; 7716-7744'; 7804-7832'.
(4" casing gun, 4 JSPF)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|---|---|
| See attached report. | |
| | |
| | |

28. **PRODUCTION**

| Date First Production | Production Method (Flowing, gas lift, pumping - Size and type pump) | Well Status (Prod. or Shut-in) |
|---|---|---|
| N/A (SWD) | | |

| 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.)

Test Witnessed By

30. List Attachments

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 Carla Shaw Printed Name Carla S. Shaw Title Production Tech. Date 11/15/06

E-mail Address production@maralexresources.com

lb

# 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 | T. 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 | T. Simpson | T. Gallup | T. Ignacio Otzte |
| T. Glorieta | T. McKee | Base Greenhorn | T. Granite |
| T. Paddock | T. Ellenburger | T. Dakota | T |
| T. Blinebry | T. Gr. Wash | T. Morrison | T. |
| T.Tubb | T. Delaware Sand | T.Todilto | T |
| T. Drinkard | T. Bone Springs | T. Entrada | T. |
| T. Abo | T. | T. Wingate | T. |
| T. Wolfcamp | T. | T. Chinle | T. |
| T. Penn | T. | T. Permian | T. |
| T. Cisco (Bough C) | T. | T. Penn "A" | T. |

## OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....

No. 2, 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 | | From | To | Thickness In Feet | Lithology |
|---|---|---|---|---|---|---|---|---|
| 6848 | | | Graneros Dakota | | | | | |
| 6938 | | | Dakota | | | | | |
| ~~7136~~ | 7120 | | Morrison | | | | | |
| ~~7715~~ | 7716 | | Bluff | | | | | |
| ~~7858~~ | 7855 | | Summerville | | | | | |
| ~~7980~~ | 7920 | | Todilto | | | | | |
| ~~8002~~ | 8000 | | Entrada | | | | | |
| 8298 | | | Chinle | | | | | |

# MARALEX DISPOSAL, LLC
# CENTERPOINT SWD # 1
# SUPPLEMENTAL INFORMATION
# COMPLETION REPORT

**REPORT DATE: 08/06/06**

Move in, rig up stimulation company. Wait on sand. Offload one sand can at 9:00AM. Wait on sand. Offload sand. Have safety meeting. Finish rigging up lines. Run QC checks. Pressure test lines to 5000 psi. Open wellhead. ***Pump 1000 gallons 15% HCL acid spearhead to breakdown and frac interval 7804'-7832'.***

***Pump 10, 500 gallon pad.***
***Pump 4,000 gallons at 1 PPG.***
***Pump 4,000 gallons at 2 PPG.***
***Pump 4,000 gallons at 3 PPG.***
***Pump 4,000 gallons at 4 PPG.***
***Pump 4,000 gallons at 5 PPG.***
***Pump 4,000 gallons at 6 PPG.***

***Flush with 11790 gallons gel water. ISIP 1875 psi. 5 minutes 1603, 10 minutes 1529, 15 minutes 1471, AIR 40, ATP 1800 psi.*** Shut well in.

Rig down frac Y. Nipple up wireline flange and lubricator. Pickup 7" CIBP and run in hole. Run strip log to get on depth. Set Bridge Plug at 7770'. Rig down lubricator and wireline flange. Nipple up frac Y. Pressure test BP and casing to 4000 psi. PU (1) 28' gun and run in hole. Run strip log to get on depth.

***Perforate the induction log interval 7716'-7744' with 4 JSPF with 38 gram charges with 120 degree phasing in a 4" casing gun.*** Lay down gun and hook up stimulation company. ***Pump 1,000 gallons 15% acid ahead of frac of interval 7716' – 7744'.***

***Pump 12,500 gallon pad.***
***Pump 5,000 gallons at 1 PPG.***
***Pump 5,000 gallons at 2 PPG.***
***Pump 5,000 gallons at 3 PPG.***
***Pump 5,900 gallons at 4 PPG.***
***Pump 4,500 gallons at 5 PPG.***
***Pump 4,250 gallons at 6 PPG.***

***Flush with 2639 gallons. Screen out with 5 PPG in formation. Had a total of 57,000# in formation and 41,000# in wellbore. ISIP 3877, 6 minutes 2796, 10 minutes 2834, 15 minutes 2886, AIR 40.1 BPM. ATP 2542.*** Shut well in and bleed off pressure. Clean up and rig down stimulation company. Shut down for night.

**REPORT DATE: 08/11/06**

Move in frac equipment. Rig up. Pressure test lines to 7000 psi. Held good. Run QC checks. Adjust frac gel additive rates. Hold safety meeting. Establish maximum pressure at 4000 psi. ***Pump breakdown treatment – 10 BPM at 2400 psi. Good break. Switch to 2000 gallons 15% HCL. Start cross link pad. Pump Stage III frac through perfs 7576' – 7626' as follows:***

**MARALEX DISPOSAL, LLC**
**CENTERPOINT SWD # 1**
**SUPPLEMENTAL INFORMATION CONTINUED**
**COMPLETION REPORT**

| | | |
|---|---|---|
| *Pad 15,272 gallons* | *36.9 BPM* | *2652 PSI* |
| *1 PPG 5323 gallons* | *40.9 BPM* | *2562 PSI* |
| *2 PPG 6567 gallons* | *40.9 BPM* | *2453 PSI* |
| *3 PPG 6836 gallons* | *40.3 BPM* | *2261 PSI* |
| *4 PPG 7112 gallons* | *39.2 BPM* | *2130 PSI* |
| *5 PPG 7381 gallons* | *39.8 BPM* | *2031 PSI* |
| *6 PPG 9394 gallons* | *39.6 BPM* | *1980 PSI* |

***Flush with 11,403 gallons water at 36.9 BPM. Final pressure = 2991.***
***ISIP 2991, 5 minutes 2581 psi, 10 minutes 2310 psi, 15 minutes 2227.***
Rig up Basin. Run in well with 7" casing plug. Set at 7540'. Pressure test to 3000 psi – good.

***Perforate Stage IV as follows: 7474' – 7504' (30'); Gun # 2 7464' – 7474', 7442' – 7454' (12'). Noticed immediate wellbore pressure indicating communication with lower zone frac.*** Pull out of hole with guns. Open well to pit. Pressure would not bleed off (1800 psi). Rig up Halliburton. Attempt to pump into new perfs. Immediately pressured up to 4000 psi. Most likely frac sand has cross flowed through upper perfs. Bleed pressure and attempt 2 more times. Cound not establish injection rate. Rig up Basin. Set CIBP at 7350'. Pressure test plug to 3000 psi with Halliburton. Tested good.

***Perforate Stage V as follows: 7248' – 7274'; 7200' – 7214' with 4" casing guns, 4 SPF. All shots fired. Rig up Halliburton to fracture stimulate Stage V. Load and break upper Morrison with 711 gallons water. 8 BPM at 2225 psi. Pump1480 gallons 15% HCL at 5.9 BPM and 2470 psi. Fracture stimulate Upper Morrison (7200' – 7274') as follows:***

| | | | |
|---|---|---|---|
| *15,584 gallons* | *X-Link Pad* | | |
| *5,288 gallons* | *X-Link Pad* | *1 PPG* | *16/30 Ottawa* |
| *6,213 gallons* | *X-Link Pad* | *2 PPG* | *16/30 Ottawa* |
| *6,779 gallons* | *X-Link Pad* | *3 PPG* | *16/30 Ottawa* |
| *6,861 gallons* | *X-Link Pad* | *4 PPG* | *16/30 Ottawa* |
| *6,471 gallons* | *X-Link Pad* | *5 PPG* | *16/30 Ottawa* |
| *2,730gallons* | *X-Link Pad* | *6 PPG* | *16/30 Ottawa* |

***Flush with 675 gallons water. Treatment screened out with 55,017 lbs through perforations. Left 43,800 lbs in wellbore. 4 PPG at perfs. Screened out at start of 5 PPG stage at perfs.*** Rig down Halliburton. Shut down for night.