

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II
1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720

District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Permit 68024

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL API NUMBER
30-015-35674

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
STATE 2

8. Well Number
002

9. OGRID Number
246083

10. Poolname or Wildcat
See Area 13

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:O

2. Name of Operator
REEF EXPLORATION, L.P.

3. Address of Operator
1901 N. CENTRAL EXPRESSWAY, , SUITE 300 RICHARDSON , TX 75080

4. Well Location
Unit Letter C : 660 feet from the N line and 1980 feet from the W line
Section 2 Township 23S Range 31E NMPM Eddy County

11. Elevation (Show whether DR, KB, BT, GR, etc.)
3435 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTER CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐

CASING/CEMENT JOB ☐

Other: **Perforations/Tubing** ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see attached Completion Report

See Attached

Perforations

Pool: LIVINGSTON RIDGE;DELAWARE, SE, 39380 Location: C -2-23S-31E 660 N 1980 W

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
8170	8206	N	1	0.38	Sand/Water	Frac	28000
8008	8078	N	1	0.38	Sand/Water	Frac	28000

Tubing

LIVINGSTON RIDGE;DELAWARE, SE, 39380

Tubing Size	Type	Depth Set	Packer Set
2.875	L-80 8	6037	0

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Regulatory Analyst DATE 1/21/2008

Type or print name Rosalind Mercer E-mail address rosalind@reefexploration.com Telephone No. 972-437-6792

For State Use Only:

APPROVED BY: Bryan Arrant TITLE Geologist DATE 1/22/2008 7:52:59 AM

Reef Exploration L.P.
State 2 Well #2
Unit G
660 FNL & 1980 FEL
Sec 2, T-23-S,R-31-E
Eddy County, New Mexico

Drilling Report

Date: 10-01-07

Back drag loc. Set dead men. MIRU Key WS and Exterra rev unit. ND wellhead, NU BOP. PU bit, string mill, DC's and tbg and TIH. Tag DV tool @ 6414'. SDFD.

Date: 10-02-07

PU Swival and DRL out DV Tool and work string mill through DV tool. TIH and tag PBTD @ 8513'. POH LD BHA. SDFD

Date: 10-03-07

MIRU Halliburton WL. Run cmt bond log from PBTD @ 8444 to 2800'. TOC @ 3050'. RD Halliburton. TIH with tbg open ended. Install TIW Valve. RD Key WS.

Date: 10-18-07

MI 6 frac tanks and fill w/FW. SDFD.

Date: 10-19-07

MIRU key WS. Halliburton circ hole with 2% KCL wtr and spotted 300 gals 10% MCA acid over perf interval. Halliburton perf'd f/8170'-73', 8180'-86', 8200'-06', total 18 holes. RD Halliburton WL. SDFD.

Date: 10-20-07

Install frac valve. Halliburton frac'd as follows: 28000 gals Silver Stim Lt with 50000 lbs. 16/30 Mesh Ottawa Sand coated with Expidite Lite. Max rate and press 20 bpm and 1900 psi. Ave rate & press 15 bpm @ 771 psi. ISIP 639 psi, 5 min 558 psi, 10 min 534 psi, 15 min 503 psi. Ended 1st stage by spotting 10% MCA acid over next zone. Halliburton wl. Set composite BP @ 8160' and perf F/8076'-78', 8033'-38', 8027'-30', 8019'-8023', 8008'-11'. 19 holes, Halliburton frac'd as follows: 28,000 gals Silver Stim Lt with 50,000 lbs 16/30 Ottawa Sand coated with Expidite Lite. Max rate and press 28.5 bpm and 2093 psi. Ave rate and press 15.2 bpm @ 1251 psi. ISIP 792 psi, 5 min 703 psi, 10 min 652 psi, 15 min 621 psi. RD Halliburton SDFD.

Date: 10-22-07

SITP 220 psi. Flow back well for 3 hrs and well died. Set pumping unit. Left well open to frac tank overnight. SDFD