

(2)

KATHY EYRE-FEDERAL #1-C  
 1980' FWL & 660' FNL  
 NE/4 NW/4 31-19S-25E Eddy County, NM  
 Sharp Drilling Company

Spudded 8/8/71, Completed 8/28/71  
 Td 7920' 7770-7794'  
 NORTH DAGGER DRAW-UPPER PENNSYLVANIAN  
 NM 0560392-A Com Agr SW844  
 Re-Entry Monsanto-Hondo #1

|      |       |                                 | Total Liquids Produced |          |         | Days | On Hand | Bbls to | Name of | On Hand |    |
|------|-------|---------------------------------|------------------------|----------|---------|------|---------|---------|---------|---------|----|
|      |       |                                 | Allowable              | Produced | Water   |      |         |         |         |         |    |
| 1974 |       |                                 |                        |          |         |      |         |         |         |         |    |
| 1    | Jan   | DAGGER DRAW-UPPER PENNSYLVANIAN | S                      | -        | -       | -    | 200     | -       | SOC     | 200     | 1  |
| 2    | Feb   | Kathy Eyre-Federal              | P                      | 375      | -       | 10   | 200     | -       |         | 475     | 2  |
| 3    | Mar   | 1 C 31-19S-25E                  | P                      | 775      | -       | -    | 475     | -       |         | 915     | 3  |
| 4    | Apr   |                                 | P                      | 750      | -       | 12   | 915     | -       |         | 1072    | 4  |
| 5    | May   |                                 | P                      | 375      | -       | 1    | 1072    | -       |         | 1072    | 5  |
| 6    | June  |                                 | S                      | 750      | -       | -    | 1072    | -       |         | 1072    | 6  |
| 7    | July  |                                 | S                      | 992      | -       | -    | 1072    | -       |         | 1072    | 7  |
| 8    | Aug   |                                 | S                      | 775      | -       | -    | 1072    | -       |         | 1072    | 8  |
| 9    | Sept  |                                 | S                      | 775      | -       | -    | 1072    | -       |         | 1072    | 9  |
| 10   | Oct   |                                 | S                      |          |         | -    | 1072    | -       |         | 1072    | 10 |
| 11   | Nov   |                                 | S                      |          |         | -    | 1072    | -       |         | 1072    | 11 |
| 12   | Dec   |                                 | S                      |          |         | -    | 1072    | -       |         | 1072    | 12 |
| 13   |       |                                 |                        | -        | 39850   |      |         | -       |         | 1072    | 13 |
| 14   | 1974  |                                 |                        | 5759     | 106,661 |      |         | 5189    |         | 1072    | 14 |
| 15   | CUM   |                                 |                        |          |         |      |         |         |         |         | 15 |
| 16   | 1975  |                                 |                        |          |         |      |         |         |         |         | 16 |
| 17   | Jan   |                                 |                        | -        | 23,648  | 16   | 1072    | -       | SOC     | 1072    | 17 |
| 18   | Feb   |                                 |                        | -        | 19,152  | 28   | 1072    | -       |         | 1072    | 18 |
| 19   | Mar   |                                 |                        | -        | 22,464  | 12   | 1072    | -       |         | 1072    | 19 |
| 20   | Apr   |                                 | P                      | 1032     | 1423    | 29   | 1072    | 1027    |         | 457     | 20 |
| 21   | May   |                                 | P                      | 2666     | 1074    | 24   | 457     | 1370    |         | 161     | 21 |
| 22   | June  |                                 | P                      | 2580     | 1245    | 28   | 161     | 1194    |         | 212     | 22 |
| 23   | July  |                                 | P                      | 2666     | 1508    | 31   | 212     | 1363    |         | 357     | 23 |
| 24   | Aug   |                                 | P                      | 2666     | 801     | 26   | 357     | 849     | SOC     | 309     | 24 |
| 25   | SEPT. |                                 | P                      | 2580     | 847     | 15   | 309     | 855     | SOC     | 301     | 25 |
| 26   | OCT.  |                                 | P                      | 3999     | -       | 15   | 301     | -       |         | 203     | 26 |
| 27   | Nov.  |                                 | P                      | 3870     | 581     | 23   | 203     | 523     | SOC     | 261     | 27 |
| 28   | DEC.  |                                 | P                      | 3999     | 226     | 13   | 261     | 350     | SOC     | 137     | 28 |
| 29   |       |                                 |                        | 7705     | 517,409 |      |         | 7531    |         | 109     | 29 |
| 30   | 1975  |                                 |                        | 13,464   | 624,070 |      |         | 12,720  |         | 109     | 30 |
| 31   | CUM   |                                 |                        |          |         |      |         |         |         |         | 31 |
| 32   |       |                                 |                        |          |         |      |         |         |         |         | 32 |
| 33   |       |                                 |                        |          |         |      |         |         |         |         | 33 |
| 34   |       |                                 |                        |          |         |      |         |         |         |         | 34 |
| 35   |       |                                 |                        |          |         |      |         |         |         |         | 35 |
| 36   |       |                                 |                        |          |         |      |         |         |         |         | 36 |

Stupper

360 lost on ground  
 120 water line  
 531 POT

78 CIR. P.O.T.