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Purvis Operating Co.

3101 N. Pecos Street - 79705

Email: [eng@purvisop.com](mailto:eng@purvisop.com)

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Midland, TX 79710-1990

432-682-7346

February 17, 2011

Mr. Larry "Buddy" Hill, Dist. 1 Supervisor  
Mr. Maxey Brown, Dist. 1 Inspector  
New Mexico Energy, Minerals  
and Natural Resources Dept.  
Oil Conservation Division  
1625 N. French Drive  
Hobbs, NM 88240

Ms. Gail MacQuesten, OCD Attorney  
Mr. Daniel Sanchez  
Compliance and Enforcement Manager  
New Mexico Energy, Minerals  
and Natural Resources Dept.  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: Purvis Operating Co., OGRID 131559, ACO 264  
Armadillo State #001, 30-025-38035  
Badger State #001, 30-025-38036  
Coyote State Com #001, 30-025-38037

Gentlemen:

On February 13, 2011, water samples were attempted on the Badger State #001, Coyote State Com #001 and the Armadillo State #1. The bottom of the hole was dry and no water was available for the Badger State #001 and Coyote State Com #001. There was about 3' of water in the Armadillo and a water sample was obtained for analysis (see attached). The water analysis, when compared to the analysis of a producing fresh water well in the west offset section and when compared to standard drinking water, show no contaminants.

Below is a history of these spud holes and current conditions:

Well	Maximum Depth Drilling with 12 1/4" Bit	Current Measured Depth	Current Reaming Depth with 18" Bit	Current Hole Condition
Badger State #1	80 ft.	46'	46'	Dry
Armadillo State #1	78 ft.	70'	57'	Wet
Coyote State #1	81 ft.	58'	58'	Dry

We plan to start with a 20" bit on our next spud date.

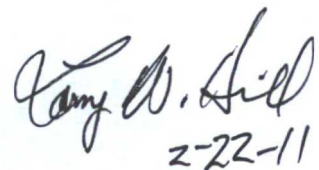
If there is any additional information or questions, please call.

Very truly yours,



Donnie E. Brown  
Petroleum Engineer

c: Mr. James Bruce  
PO Box 1056  
Santa Fe, NM 87504



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