Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French, Hobbs, NM 88240

## State of New Mexico Energy, Minerals and Natural Resources

Form C-105 Revised June 10, 2003

| WELL API NO.              |  |
|---------------------------|--|
| 30-015-33358              |  |
| 5. Indicate Type Of Lease |  |
| COLVOID ES DIDE           |  |

| District II  | ,              |               |               | OIL COL                   | NSERVAT                     | ION D      | II/IS                 | ION                                |                 |  | <u> 30–01</u>             |                     |   |                      |  |             |
|--|----------------|---------------|---------------|---------------------------|-----------------------------|------------|-----------------------|------------------------------------|-----------------|--|---------------------------|---------------------|---|----------------------|--|-------------|
| 1301 W. Grand Avenue   | , Artesia, N   | M 88210       |               |                           | O South St.                 |            |                       | 1014                               |                 | 5.   | 5. Indicate Type Of Lease |                     |   |                      |  |             |
| District III  1000 Rio Brazos Rd., Aztec, NM 87410  Santa Fe, NM 87505 |                |               |               |                           |                             |            |                       | <u> </u>                           | STATE X FEE     |  |                           |                     |   |                      |  |             |
| District IV  |                |               |               |                           |                             |            |                       | - 1                                |                 |  | & Gas L                   | ease No             | ٠.                                      |                      |  |             |
| 1220 S. St. Francis Dr.,   | Santa Fe, N    | NM 87505      | <u> </u>      |                           |                             |            |                       |                                    |                 | ¥385   | og−78                     | 1 <b>4</b>          | 150035000000000000000000000000000000000 | 88780000000000000000 | 00000000000000000000000000000000000000 | *********** |
| WELL COM   | PLETION        | NOR R         | ECOV          | <b>IPLETION</b>           | N REPOR                     | T AND      |                       |                                    |                 |  |                           |                     |   |                      |  |             |
| la. Type of Well:<br>OIL WELL  | <b>ਦ</b>       | AS WELI       | П             | DRY 🗌                     | OTHER_                      |            | -                     | ECE                                | VE              | D   7.                                       | . Lease                   | Name                | or Unit Ag                              | reement l            | Name                                   |             |
|  |                | AS WELI       | <i>-</i> —    |                           | OTHER_                      |            |                       | MAY 2:7                            | 2004            | <u>,                                    </u> | East :                    | Mill                | man Poo                                 | l Unit               | 7                                      |             |
| b. Type of Completio   |                |               | ם דו זע       | נת ב                      | IFF $\square$               |            |                       |                                    |                 | 1  | 89101                     | 6024                | n                                       |                      |  |             |
| NEW WOR OVE  | R ⊔ DE         | EPENL         | BAC           | к Ц Řі                    | IFF.<br>ESVR. DO            | THER       |                       |                                    |                 | 312  | 09101                     | 03240               |   |                      |  |             |
| 2. Name of Operator  |                |               |               |                           | •                           |            | R                     | ECEIV                              | ΈD              | 8.   | . Well l                  | Vo.                 |   |                      |  |             |
| Stephens & Jo  |                | <u>œratir</u> | ng Co.        | ,,                        |                             |            |                       |                                    |                 |  | 16                        |                     |   |                      |  |             |
| 3. Address of Operator   |                |               |               |                           |                             | _          | [V1 E.                | V 27                               | 004             | 1  |                           |                     | r Wildcat                               |                      |  |             |
| P.O. Box 2249 4. Well Location   | Wichi          | ta Fall       | <u>ls, Te</u> | xas 7630                  | 07-2249                     |            | 188                   | ARTE                               | <del>2</del> 81 | Δ  | <u>Millm</u>              | an Ya               | ates -S                                 | R-QN-G               | B-SA, E                                | ast         |
|  |                |               |               |                           |                             |            |                       |                                    |                 |  |                           |                     |   |                      |  |             |
| Unit Letter_   | <u> </u>       | 1981          | _ Feet        | From The                  | Nort                        | th         | L                     | ine and _                          |                 | 817  | I                         | Feet Fro            | om The _                                | W                    | est                                    | Line        |
| Section 13   |                |               | Tow           | nship <b>195</b>          |                             | Range      | 200                   |                                    |                 | NMP  | NΛ                        |                     | Eddy                                    | _                    | Co                                     | unty        |
|  | 11. Date T     | D. Reach      |               |                           | mpl. (Ready t               |            |                       | 13. Elev                           | ation           |  |                           | RT. GR              |   |                      | . Casinghea                            |             |
| 4-20-04  | 4-26           |               |               | 5-7-0                     |                             | ,          |                       |                                    |                 | GER :  |                           |                     | , ,                                     | 338                  | _                                      |             |
| 15. Total Depth  | 16             | . Plug Ba     | ck T.D.       | 1                         | 7. If Multiple<br>Many Zone | Compl.     | How                   |                                    | Inter           |  | Rota                      | ry Too              | ols                                     | Cable T              | ools                                   |             |
| 2707 '   |                | 2690 '        | _             |                           |                             | es'?       |                       | ומכו                               | led B           | ·y<br>                                       | 0-:                       | <u> 2707 2</u>      | <u> </u>                                |                      |  |             |
| 19. Producing Interval   |                | _             | - Top, I      | Bottom, Name              | e                           |            |                       |                                    |                 |  |                           | 20                  | ). Was Dir                              | ectional S           | Survey Mad                             | .e          |
| 2349-2483' Low   |                |               |               |                           |                             |            |                       |                                    |                 |  |                           |                     | No                                      |                      |  |             |
| 21. Type Electric and (  | •              |               |               | <b>.</b>                  |                             |            |                       |                                    |                 |  | 22. Wa                    |                     | Cored                                   |                      |  |             |
| Dual Laterolog   | , MCFL,        |               |               |                           | ord Ray                     | nort al    | 1 etri                | nos set                            | in xx           |  |                           | <u>10</u>           | <u> </u>                                |                      |  |             |
| CASING SIZE  | WE             | IGHT LB       |               | DEPTI                     |                             |            | LE SI                 |                                    | T               |  | MENTI                     | NG RE               | CORD                                    | Al                   | MOUNT PU                               | ULLED       |
| 8 5/8"   | 24             | *****         | _             | 318'                      |                             | 12 1/      | / <b>4</b> "          |                                    | 20              | 00 sx  | circ                      | to s                | urfaœ                                   |                      |  |             |
| 5 1/2"   | 15.5           | 50            |               | 2706'                     |                             | 7 7/       |                       |                                    |                 |  |                           |                     | urfaœ                                   |                      |  |             |
|  | 1              |               |               |                           |                             |            |                       |                                    | 1               |  |                           |                     |   |                      |  |             |
|  |                |               |               |                           |                             |            |                       |                                    |                 | *  |                           |                     |   |                      |  |             |
| ···  |                |               |               |                           |                             |            |                       | *                                  |                 |  |                           |                     | <del></del>                             |                      |  | ·····       |
| 24.  |                |               | LINI          | ER RECOR                  | SD                          |            |                       |                                    |                 | 25.  |                           | TUBI                | NG REC                                  | CORD                 |  |             |
| SIZE   | TOP            |               | BOTT          | ОМ                        | SACKS CE                    | MENT       | SCRI                  | EEN                                |                 | SIZE   |                           |                     | DEPTH S                                 | SET                  | PACKE                                  | R SET       |
|  |                |               |               |                           |                             |            |                       |                                    |                 |  |                           |                     |   |                      |  |             |
|  |                |               | <u> </u>      |                           |                             |            |                       |                                    |                 |  |                           |                     |   |                      |  |             |
| 26. Perforation record   | (interval, siz | ze, and nu    | mber)         |                           |                             |            |                       |                                    |                 |  |                           |                     | MENT, S                                 |                      |  |             |
| One shot at ea   | ch depti       | h: 2349       | 235           | 1. 2353.                  | 2363. 23                    | 65.        |                       | <u>PTH INTI</u><br><b>49–248</b> 3 |                 | AL   |                           |                     |   |                      | IAL USED                               | )           |
| 2395, 2397, 23   | _              |               |               |                           |                             |            | 23                    | 49-2403                            | <u> </u>        |  |                           |                     | <u>ls 15%</u>                           |                      | 20,00                                  | 10# B.T     |
| 2443, 2447, 24   | 75, 247        | 7, 2479       | 9, 248        | 1, 2483.                  |                             |            |                       | <del></del>                        |                 |  |                           |                     |   |                      | IC 16/2                                |             |
| 28.  |                |               |               |                           | PRODUC                      | CTION      | 1                     |                                    |                 |  |                           |                     |   | 7-5-11               |  |             |
| Date First Production  |                |               |               |                           | g, gas lift, pun            | nping - S  | ize an                | d type pun                         | np)             |  |                           |                     | Well Sta                                | tus (Prod            | or Shut-in                             | )           |
| 5-7-04   |                | Pump          | ing 2         | 1/2" x 2                  | " x 16'                     |            |                       |                                    |                 |  |                           |                     | Produ                                   | cing                 |  |             |
| Date of Test<br>5-17-04  | Hours 7        | Tested        | C             | hoke Size                 | Prod'n For<br>Test Perio    | <b>.</b> . | Oil - E<br><b>155</b> | 861.<br>                           | Ga<br><b>65</b> | s - MCF                                      |                           | Water<br><b>394</b> | - Bbl.                                  | Gas - <b>419</b>     | Oil Ratio                              |             |
| Flow Tubing<br>Press.  | Casing 1       | Pressure      |               | alculated 24-<br>our Rate | Oil - Bbl.                  |            | Ga                    | s - MCF                            | ١               | Water  | - Bbl.                    |                     | Oil Grav                                | ity - API            | -(Corr.)                               |             |
|  |                |               | "             | our ruic                  | 155                         |            | 65                    | 5                                  | - 1             | 394  |                           |                     | 40                                      |                      |  |             |
| 29. Disposition of Gas   | (Sold, used    | for fuel,     | vented,       | etc.)                     |                             |            |                       |                                    |                 |  | Т                         | est Wit             | nessed By                               |                      |  |             |
| Sold   |                |               |               |                           |                             |            |                       |                                    |                 |  | - 1                       |                     | Норе                                    |                      |  |             |
| 30. List Attachments   |                |               |               |                           |                             |            | 1                     |                                    |                 |  |                           |                     |   |                      |  |             |
| Deviat:  | on Surv        | ey. Du        | al Iai        | emolog.                   | MCFL, Den                   | sity-1     | Veut                  | ron Loo                            | s               | , ,  |                           |                     | 7                                       | 1 1: 2               |  |             |
| 31. I hereby certify to  | at the info    | ormation      | snown         | dn both side<br>Print     |                             | m is true  | e and                 | complete                           | to ti           | ne best                                      | of my i                   | knowle              | edge and                                | belief               |  |             |
| Signature WW<br>E-mail address   | - VI           | incaid        | 100           | Name                      |                             | lliam      | M, F                  | Kincaid                            |                 | Title  | Petr                      | oleu                | m Engin                                 | eer Da               | ite 5-2                                | 24-04       |
| THE MULLOS   | IIIK           | كلفتنس        | ಜ್ರಾ೦೦        | ・ルピし                      |                             |            |                       |                                    |                 |  |                           |                     |   |                      |  |             |

## **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

| Sout               | heastern | New Mexico       | Northeas              | tern 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           | 1651'    | T. Silurian      | T. Point Lookout      | T. Elbert        |
| T. Grayburg        | 1994'    | T. Montoya       | T. Mancos             | T. McCracken     |
| T. San Andres      | 24881    | 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           | Т.               |
| 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. Chinle             | T.               |
| T. Penn            |          | Т.               | T. Permain            | T.               |
| T. Cisco (Bough C) |          | T.               | T. Penn "A"           | Т.               |
|                    |          | A                |                       | OIL OR GAS       |

|                 |                   |              |                    |                               | SANDS OR ZONES |
|-----------------|-------------------|--------------|--------------------|-------------------------------|----------------|
| No. 1, from     | 1730'             | to           | 1746'              | No. 3, from                   | to             |
| No. 2, from     | 1950'             | to           | 2483'              | No. 4, from                   | to             |
|                 |                   |              | IMPORT             | ANT WATER SANDS               |                |
| Include data on | rate of water inf | low and elev | ation to which wat | er rose in hole.              |                |
| No. 1, from     |                   |              | to                 | feet                          | •••••          |
| No. 2, from     |                   |              | to                 | feet                          |                |
| No. 3. from     |                   |              | to                 | feet                          |                |
|                 | L                 | ITHOL        | OGY RECO           | RD (Attach additional sheet i | f necessary)   |

| From | То | Thickness in Feet | Lithology | From | То | Thickness in Feet | Lithology |
|------|----|-------------------|-----------|------|----|-------------------|-----------|
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    | ;                 |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |
|      |    |                   |           |      |    |                   |           |

| WELL NAME AND NUMBER East      | Millman Unit No. 7-16  |  |
|--------------------------------|--|--|
| LOCATION 1981' FNL & 817'      | FWL, Section 13, T19S, R28E, Ed  | dy Co. NM RECEIVED   |
| OPERATOR Stephens & Johnso     | n Operating Company  | MAY 2 7 2004   |
| DRILLING CONTRACTOR United     | Drilling, Inc.   | OCB-ARTESIA  |
|                                |  |  |
| of the drilling contractor w   | certifies that he is an authori<br>tho drilled the above described<br>obtained the following results:  |  |
| Degrees @ Depth                | Degrees @ Depth  | Degrees @ Depth  |
| 3/4° 508'                      |  | Normal Research and Address of the Contract of |
| 1/2° 1018'                     |  |  |
| 1/2° 1534'                     |  | Name of the Control o |
| 1/2° 1996'                     | Milater in the control of the contro |  |
| 1/2° 2520'                     |  |  |
|                                |  |  |
|                                |  | ***************************************  |
|                                |  |  |
|                                |  |  |
| •                              |  | rilling, Inc.  |
| ·                              | ~ ( <i>)</i>   | · Aho  |
|                                | Title: Business  |  |
| Subscribed and sworn to before | re me this $4^{th}$ day of $Ma$  | ψ,   |
| 20 <u>04</u> .                 | Carlene Ma<br>Notary Pu  | ilin<br>blic   |
| My Commission Expires: 10-04   | 04 Chaves the  | w Mexico   |