

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105
Revised June 10, 2003

District I
1625 N. French, 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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-015-33543

5. Indicate Type Of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

OG-784

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

b. Type of Completion:

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER _____

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2. Name of Operator

Stephens & Johnson Operating Co.

3. Address of Operator

P.O. Box 2249 Wichita Falls, Texas 76307-2249

7. Lease Name or Unit Agreement Name

East Millman Pool Unit Tract 4

8910169240

8. Well No.

14

9. Pool name or Wildcat

Millman Yates -SR-QN-GB-SA, East

4. Well Location

Unit Letter N : 847 Feet From The South Line and 1973 Feet From The West Line

Section 13 Township 19S Range 28E NMPM Eddy County

10. Date Spudded

9-3-04

11. Date T.D. Reached

9-9-04

12. Date Compl. (Ready to Prod.)

9-17-04

13. Elevations (DF & RKB, RT, GR, etc.)

3365' GR 3371' KB

14. Elev. Casinghead

3368'

15. Total Depth

2732'

16. Plug Back T.D.

2707'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

0-2732'

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

2294-2597' Lower Grayburg

20. Was Directional Survey Made

No

21. Type Electric and Other Logs Run

Dual Laterolog, MCFL, Density-Neutron, Gamma Ray

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 |
|-------------|----------------|-----------|-----------|------------------------|---------------|
| 8 5/8" | 24 | 314' | 12 1/4" | 200 sx circ to surface | |
| 5 1/2" | 15.50 | 2728' | 7 7/8" | 700 sx circ to surface | |
| | | | | | |
| | | | | | |
| | | | | | |

24. LINER RECORD

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

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|------|-----------|------------|
| | | |
| | | |
| | | |

26. Perforation record (interval, size, and number)

One shot at: 2294, 2297, 2301, 2305, 2346, 2353, 2357, 2361, 2365, 2384, 2388, 2392, 2396, 2467, 2471, 2547, 2551, 2555, 2559, 2581, 2585, 2589, 2593, 2597

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

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|------------------------------------|
| 2294-2597 | 3,000 gals 15% NEFE acid |
| | 103,500 gal 10# brine, 20,000# BJ |
| | LiteProp 125, 5,000# IC 16/20 sand |

28. PRODUCTION

| | | | | | | | |
|----------------------------------|--------------------|--------------------------------------------------------------------------------------------------|------------------------|------------------|---------------------|---------------------------------------------|-------------------------|
| Date First Production 9-17-04 | | Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 2 1/2" x 2" x 16' | | | | Well Status (Prod. or Shut-in) Producing | |
| Date of Test 9-20-04 | Hours Tested 24 | Choke Size | Prod'n For Test Period | Oil - Bbl. 10 | Gas - MCF 10 | Water - Bbl. 416 | Gas - Oil Ratio 1000 |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. 10 | Gas - MCF 10 | Water - Bbl. 416 | Oil Gravity - API -(Corr.) 40 | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

Mark Hope

30. List Attachments

Deviation Survey

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature William M. Kincaid
E-mail address mkincaid@sjoc.net

Printed Name

William M. Kincaid

Title Petroleum Engineer Date 10-12-04

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.

| Southeastern New Mexico | | Northeastern 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 1704' | T. Silurian | T. Point Lookout | T. Elbert |
| T. Grayburg 2099' | T. Montoya | T. Mancos | T. McCracken |
| T. San Andres 2616' | 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. Chinle | T. |
| T. Penn | T. | T. Permain | T. |
| T. Cisco (Bough C) | T. | T. Penn "A" | T. |

| | | | | | | | |
|-------------|--------------|----|--------------|-------------|--|----|--|
| No. 1, from | 1780' | to | 1800' | No. 3, from | | to | |
| No. 2, from | 2100' | to | 2597' | No. 4, from | | to | |

No. 1, fromtofeet

No. 2, fromtofeet

No. 3, fromtofeet

| From | To | Thickness in Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

| From | To | Thickness in Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

WELL NAME AND NUMBER East Millman Unit 4-14

LOCATION 847' FSL & 1973' FWL, SE $\frac{1}{4}$, SW $\frac{1}{4}$, Section 13, T19S, R28E, Eddy Co NM

OPERATOR Stephens & Johnson Operating, Inc.

DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

Degrees @ Depth

Degrees @ Depth

Degrees @ Depth

1/2° 491'

1/2° 1014'

1/2° 1505'

3/4° 2003'

1/2° 2524'

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OCT 22 2004

ODD-ARTESIA

Drilling Contractor United Drilling, Inc.

By: George A. Aho

George A. Aho

Title: Business Manager

Subscribed and sworn to before me this 13th day of September,
2004.

Carlene Martin

Notary Public

My Commission Expires: 10-04-04

Chaves
County

New Mexico
State

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SEP 17 2004