

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

| | |
|--|--|
| 5. Lease Serial No. NM 7724 | |
| 6. If Indian, Allottee or Tribe Name | |
| 7. Unit or CA Agreement Name and No. | |
| 8. Lease Name and Well No. Henshaw 7 Federal #1 | |
| 9. AFI Well No. 30-015-32676 | |
| 10. Field and Pool, or Exploratory Henshaw Upper Penn. 97410 | |
| 11. Sec., T., R., M., on Block and Survey or Area Sec. 7, T16S, R30E | |
| 12. County or Parish Eddy | |
| 13. State NM | |
| 14. Date Spudded 03/02/2004 | |
| 15. Date T.D. Reached 04/03/2004 | |
| 16. Date Completed 08/07/2004 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. | |
| 17. Elevations (DF, RKB, RT, GL)* 3758' GL | |
| 18. Total Depth: MD 10,960' TVD 10,960' | |
| 19. Plug Back T.D.: MD 8590' TVD | |
| 20. Depth Bridge Plug Set: MD 8590' TVD 8590' | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Dual Laterolog, Density-Neutron | |
| 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) | |

| 23. Casing and Liner Record (Report all strings set in well) | | | | | | | | | |
|--|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
| 17 1/2" | 13 3/8" | 61/68 | Surf. | 475 | - | 630sx CL "C" | 174 | Surf. | - |
| 12 1/4" | 9 5/8" | 47/53.5 | Surf. | 2990 | - | 1325sx CL "C" | 459 | Surf. | - |
| 8 1/2" | 4 1/2" | 11.5 | Surf. | 10,961 | - | 2240sx CL "H" | 865 | 4150' | - |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

| 24. Tubing Record | | | | | | | | | |
|-------------------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|--|
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | |
| 2 3/8" | 8530' | - | | | | | | | |

| 25. Producing Intervals | | | | 26. Perforation Record | | | |
|-------------------------|-------|--------|--|------------------------|------|-----------|--------------|
| Formation | Top | Bottom | | Perforated Interval | Size | No. Holes | Perf. Status |
| A) Cisco | 8478' | 8559' | | 8478'-82', 8485'-88' | .32 | 156 | |
| B) | | | | 8494'-98', 8508'-10' | | | |
| C) | | | | 8512'-14', 8518'-22' | | | |
| D) | | | | 8526'-28', 8534'-36' | | | |

| 27. Acid, Fracture, Treatment, Cement Squeeze, etc. | | 8552' - 59' |
|---|-----------------------------|-------------|
| Depth Interval | Amount and Type of Material | |
| 8478'-8559' | 2500 gals. 15% HCL | |
| | | |
| | | |

| 28. Production - Interval A | | | | | | | | | |
|-----------------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| 08/07/2004 | 08/27/2004 | 24 | → | 15 | - | 152 | | | Pumping |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

| 28a. Production - Interval B | | | | | | | | | |
|------------------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| | | | → | | | | | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | | |

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

SEP 24 2004

LES BABYAK
PETROLEUM ENGINEER

RECEIVED

SEP 27 2004

OFF-ARTESIA

28b. Production - Interval C

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

28c. Production - Interval D

| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |

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

TSTM

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top Meas. Depth |
|-----------|-----|--------|------------------------------|---|--|
| | | | | SAN ANDRES GLORIETA CISCO ATOKA U. MORROW LM. L. MORROW SD. CHESTER MISS | 2680 4160 8400 10,200 10,260 10,520 10,580 10,820 |

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.) ☐ Geologic Report ☐ DST Report ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification ☐ Core Analysis ☒ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Jim KeislingTitle Vice Pres. ProductionSignature Jim KeislingDate 09/17/2004

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



GREY WOLF

INCLINATION REPORT

DATE: 06/10/04

WELL NAME AND NUMBER Henshaw 7 Fed #1
LOCATION: Sec 7, T16S, R30E
OPERATOR: Edge Petroleum Oper. Co., Inc
DRILLING CONTRACTOR: Grey Wolf Drilling

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

| DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH | DEGREE | DEPTH |
|--------|-------|--------|-------|--------|-------|--------|-------|
| 1.50 | 1031 | 0.75 | 5023 | 1.50 | 7364 | | |
| 1.00 | 1426 | 0.50 | 5370 | 1.25 | 7651 | | |
| 0.50 | 1686 | 2.00 | 5684 | 1.00 | 8096 | | |
| 1.00 | 1934 | 0.75 | 5688 | 0.75 | 8650 | | |
| 1.00 | 2437 | 0.75 | 5972 | 1.00 | 9111 | | |
| 1.00 | 2694 | 1.25 | 6320 | 1.25 | 10193 | | |
| 1.00 | 3022 | 2.00 | 6415 | 0.75 | 10950 | | |
| 0.75 | 3343 | 1.25 | 6510 | | | | |
| 1.00 | 3695 | 2.00 | 6615 | | | | |
| 0.50 | 4121 | 2.00 | 6729 | | | | |
| 0.25 | 4422 | 2.50 | 6857 | | | | |
| 0.50 | 4705 | 1.75 | 7238 | | | | |

Drilling Contractor:
Grey Wolf Drilling Company, LP

By: Sherry Coskrey
Sherry Coskrey, Office Manager

Subscribed and sworn to before me on this 18th day of June, 2004.

My Commission Expires:

Grey Wolf Drilling Company L.P.
6 Desta Drive, Ste 5850
Midland, Texas 79705-5516
tel (432) 684-6828
fax (432) 684-6841

