

Submit To: Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 West Grand, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Revised 1/29/05
Form C-105
Revised March 25, 1999

WELL API NO. 30 005 63382

5. Indicate Type of Lease
STATE ☒ FEE ☐
State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL ☐ GAS WELL ☐ DRY ☐ OTHER _____
b. Type of Completion:
NEW ☐ WORK ☐ PLUG ☐ DIFF. ☐
WELL ☒ OVER ☐ DEEPEN ☐ BACK ☐ RESVR. ☐ OTHER _____

7. Lease Name or Unit Agreement Name
New Mexico CS State #2B

RECEIVED

2. Name of Operator

McKay Oil Corporation

8. Well No.
2B

JAN 25 2005

3. Address of Operator

P.O. Box 2014 Roswell, New Mexico 88202-2014

505-623-4735

9. Pool name or Wildcat
West Pecos ABO Slope

4. Well Location

Unit Letter _____ I: 1980 Feet From The South _____ Line and 690 Feet From The East _____ Line

Section 2 Township 7S Range 22E NMPM CHAVES County

| | | | | |
|-----------------------------|---------------------------------|---|---|----------------------|
| 10. Date Spudded 5/30/04 | 11. Date T.D. Reached 6/7/04 | 12. Date Compl. (Ready to Prod.) 10/5/04 | 13. Elevations (DF& RKB, RT, GR, etc.) 4221' | 14. Elev. Casinghead |
|-----------------------------|---------------------------------|---|---|----------------------|

| | | | | | |
|--------------------------|-----------------------------|---|-----------------------------|--------------|-------------|
| 15. Total Depth 3240' | 16. Plug Back T.D. 3150' | 17. If Multiple Compl. How Many Zones? N/A | 18. Intervals Drilled By | Rotary Tools | Cable Tools |
|--------------------------|-----------------------------|---|-----------------------------|--------------|-------------|

19. Producing Interval(s), of this completion - Top, Bottom, Name
2984' to 2992', 2994' to 2996',

20. Was Directional Survey Made
NO

21. Type Electric and Other Logs Run
GR

21. 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 K 55 | 1030' | 12 1/4 | 200 sks Class C 480 sks FCI Lite C | |
| 5 1/2 | 15.5 K 55 | 3240' | 7 7/8 | 300 sks 50/50 POZ | |
| | | | | | |
| | | | | | |
| | | | | | |

24. LINER RECORD

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

25. TUBING RECORD

| SIZE | DEPTH SET | PACKER SET |
|-------|-----------|------------------|
| 2 3/8 | 3171' | 2832, 2845' 2886 |
| | | |

26. Perforation record (interval, size, and number)
8/10/04
Zone A 2984-2992 4 SPF
Zone A 2994-2996 4 SPF
Zone B 2888-2894 4 SPF
Zone B 2896-2902 4 SPF

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

| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
|----------------|-------------------------------|
| 2984' to 2992' | 50,000# 16/30 mesh sand |
| 2994' to 2996' | 750 gal 10% acid |
| 2888' to 2894 | 150,000# 16/30 mesh sand |
| 2896' to 2902 | 500 gal 10% acid |

28. PRODUCTION

| | | | | | | | |
|-----------------------------------|------------------------|--|-------------------------------------|------------------|--|------------------------------------|-----------------|
| Date First Production 11/17/04 | | Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING | | | Well Status (Prod. or Shut-in) PRODUCING | | |
| Date of Test 11/17/04 | Hours Tested 4 | Choke Size 15/64 | Prod'n For Test Period 61 MCF | Oil - Bbl 0 | Gas - MCF 364 | Water - Bbl. 0 | Gas - Oil Ratio |
| Flow Tubing Press. 445 | Casing Pressure 445 | Calculated 24- Hour Rate 364 MCF | Oil - Bbl. | Gas - MCF 364 | Water - Bbl. 0 | Oil Gravity - API - (Corr.) N/A | |

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

Test Witnessed By Jim Robinson

30. List Attachments

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

Signature *Tammy Grube*

Printed
Name Tammy Grube

Title Production Analyst

Date 11/18/04

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

Southeastern New Mexico

| | |
|--------------------|------------------|
| T. Anhy | T. Canyon |
| T. Salt | T. Strawn |
| B. | T. Atoka |
| Salt 2659' | |
| T. Yates | T. Miss |
| T. 7 Rivers | T. Devonian |
| T. Queen | T. Silurian |
| T. Grayburg | T. Montoya |
| T. San Andres | T. Simpson |
| T. Glorieta | T. McKee |
| T. Paddock | T. Ellenburger |
| T. Blinebry | T. Gr. Wash |
| T. Tubb 2372' | T. Delaware Sand |
| T. Drinkard | T. Bone Springs |
| T. Abo 2800' | T. YESO - 876' |
| T. Wolfcamp | T. TD - 3200' |
| T. Penn | T. |
| T. Cisco (Bough C) | T. |

Northwestern New Mexico

| | |
|-----------------------------|------------------------|
| T. Ojo Alamo _____ | T. Penn. "B" _____ |
| T. Kirtland-Fruitland _____ | T. Penn. "C" _____ |
| T. Pictured Cliffs _____ | T. Penn. "D" _____ |
| | |
| T. Cliff House _____ | T. Leadville _____ |
| T. Menefee _____ | T. Madison _____ |
| T. Point Lookout _____ | T. Elbert _____ |
| T. Mancos _____ | T. McCracken _____ |
| T. Gallup _____ | T. Ignacio Otzte _____ |
| Base Greenhorn _____ | T. Granite _____ |
| T. Dakota _____ | T. _____ |
| T. Morrison _____ | T. _____ |
| T. Todilto _____ | T. _____ |
| T. Entrada _____ | T. _____ |
| T. Wingate _____ | T. _____ |
| T. Chinle _____ | T. _____ |
| T. Permian _____ | T. _____ |
| T. Penn. "A" _____ | T. _____ |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....

No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |