

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, 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 & Natural ResourcesOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-104
Revised July 28, 2000Submit to Appropriate District Office
5 Copies☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|---|
| ¹ Operator name and Address MCKAY OIL CORPORATION P.O. B OX 2014 ROSWELL, NM 88202-2014 505-623-4735 | | ² OGRID Number 14424 |
| | | ³ Reason for Filing Code/ Effective Date |
| ⁴ API Number 30-005-63788 | ⁵ Pool Name WEST PECOS ABO SLOPE | ⁶ Pool Code 82740 |
| ⁷ Property Code | ⁸ Property LL&E "C" FEDERAL | ⁹ Well Number #3 |

II. ¹⁰ Surface Location

| Ul or lot no. F | Section 12 | Township 6S | Range 22E | Lot.Idn | Feet from the 610' | North/South Line North | Feet from the 2180' | East/West line West | County CHAVES |
|--------------------|---------------|----------------|--------------|---------|-----------------------|---------------------------|------------------------|------------------------|------------------|
|--------------------|---------------|----------------|--------------|---------|-----------------------|---------------------------|------------------------|------------------------|------------------|

¹¹ Bottom Hole Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|------------------------|--|---|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
| ¹² Lse Code | ¹³ Producing Method FLOW | ¹⁴ Gas Connection Date 03/08/06 | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date | | | | |

III. Oil and Gas Transporters

| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ POD | ²¹ O/G | ²² POD ULSTR Location and Description |
|---------------------------------|--|-------------------|-------------------|--|
| 015834 | ABO Gas Gathering | 9104 | G | |
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IV. Produced Water

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|----------------------------------|--|
| ²³ POD Meter # 300401 | ²⁴ POD ULSTR Location and Description |
|----------------------------------|--|

V. Well Completion Data

| | | | | | |
|---------------------------------------|---|---------------------------------|---|---|-----------------------|
| ²⁵ Spud Date 01/22/2006 | ²⁶ Ready Date 03/08/06 | ²⁷ TD 3093' | ²⁸ PBSD N/A | ²⁹ Perforations 2814' - 2838' 14spf 2910' - 2912' 2spf 2915' - 2917' 2spf | ³⁰ DHC, MC |
| ³¹ Hole Size 12 1/4 | ³² Casing & Tubing Size 8 5/8 | ³³ Depth Set 952' | ³⁴ Sacks Cement 493sks Class "C", 245sks Class "C" w/2% Calcium | | |
| 7 7/8 | 4 1/2 | 3093' | 200 sks Class "C" w/100 sks POZ | | |
| | 2 3/8 | 2787' | | | |

VI. Well Test Data

| | | | | | |
|--|---|-------------------------------------|-------------------------------------|------------------------------------|--|
| ³⁵ Date New Oil N/A | ³⁶ Gas Delivery Date 03/08/06 | ³⁷ Test Date 03/08/06 | ³⁸ Test Length 4 HRS | ³⁹ Tbg. Pressure 100 | ⁴⁰ Csg. Pressure 120 |
| ⁴¹ Choke Size 24/64 | ⁴² Oil N/A | ⁴³ Water N/A | ⁴⁴ Gas 366MCF | ⁴⁵ AOF 2.2 MMCF | ⁴⁶ Test Method Flow Test |
| ⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Carol Shanks</i> | | | OIL CONSERVATION DIVISION | | |
| Printed name: CAROL SHANKS | | | Approved by: BRYAN G. ARANT | | |
| Title: PRODUCTION ANALYST | | | Title: DISTRICT II GEOLOGIST | | |
| Date: 04/10/06 | | | Approval Date: APR 26 2006 | | |
| Phone: 505-623-4735 | | | | | |