

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 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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105
Revised June 10, 2003

WELL API NO.
30-015-31232

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 ☐ DEEPEN ☐ PLUG ☐ DIFF.
WELL OVER BACK RESVR. ☒ OTHER Re-Entry

2. Name of Operator
Tandem Energy Corporation

7. Lease Name or Unit Agreement Name

Ballard Grayburg San Andres Unit

8. Well No.
26-6

3. Address of Operator
P.O. Box 1559 Midland, TX 79702-1559

9. Pool name or Wildcat
Loco Hills QU-GB-SA (39520)

4. Well Location

Unit Letter L 1450 Feet From The South Line and 660 Feet From The West Line

Section 4 Township 18-S Range 29E NMPM Eddy County

10. Date Spudded 3/30/06 11. Date T.D. Reached 4/18/06 12. Date Compl. (Ready to Prod.) 4/26/06 13. Elevations (DF& RKB, RT, GR, etc.) 3525' GL 14. Elev. Casinghead 3525'

15. Total Depth 11,200' 16. Plug Back T.D. 3,400' PBDT (CIBP) 17. If Multiple Compl. How Many Zones? San Andres 18. Intervals Drilled By Rotary Tools Drilled out P&A cmt. plugs. Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
San Andres Top: 2792'

20. Was Directional Survey Made
When well was originally drilled

21. Type Electric and Other Logs Run
Cased hole GR/CCL/CNL

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
13-3/8"	48#	400'	17-1/2"	575 sx to surface	0'
8-5/8"	24#	3085'	12-1/4"	1350 sx to surface	0'
5-1/2"	17#	11,200'	7-7/8"	1300 sx	1450'

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SIZE	DEPTH SET	PACKER SET
				2-3/8"	3292'	N/A

26. Perforation record (interval, size, and number)
San Andres: 3255', 38', 3171', 44', 37', 25', 04', 3095', 82', 26', 02', 2990', 76', 71', 56', 45', 45', 41', 27', 19', 05', 2896', 82', (22 holes)

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
2882'-3255' Acid 3300 gals 15% NEFe HCl, 44 balls
2882'-3255' Frac 38,000 gals 100,000# 16-30 # Ottawa

28. PRODUCTION

Date First Production <u>5/5/06</u>		Production Method (Flowing, gas lift, pumping - Size and type pump) <u>Pumping—2" insert pump</u>			Well Status (Prod. or Shut-in) <u>Producing</u>		
Date of Test <u>5/16/06</u>	Hours Tested <u>24</u>	Choke Size <u>0.25"</u>	Prod'n For Test Period	Oil - Bbl <u>24</u>	Gas - MCF <u>10</u>	Water - Bbl. <u>30</u>	Gas - Oil Ratio <u>417</u>
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. <u>24</u>	Gas - MCF <u>10</u>	Water - Bbl. <u>30</u>	Oil Gravity - API - (Corr.)	

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

Test Witnessed By
Rumaldo Hinojosa—Field Supervisor

30. List Attachments

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 Toben Scott

Printed Name Toben Scott Title VP-Operations

Date 8/29/06

E-mail Address: tscott@tandem-energy.com