

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 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. 30-015-3476234763 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. _____
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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 _____ 2. Name of Operator Ameristate Exploration LLC 3. Address of Operator 401 Congress, Suite 2900 4. Well Location Unit Letter <u> C </u> : 1261 Feet From The <u> N </u> Line and <u> 2514 </u> Feet From The <u> W </u> Line Section <u> 14 </u> Township <u> 19S </u> Range <u> 28E </u> NMPM <u> Eddy </u> County <u> </u>	7. Lease Name or Unit Agreement Name East Millman Unit 8. Well No. 230 9. Pool name or Wildcat Millman-Yates-7
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10. Date Spudded 4-28-06	11. Date T.D. Reached 5-04-06	12. Date Compl. (Ready to Prod.) 6-27-06 (water) 8-21-06 (oil)	13. Elevations (DF& RKB, RT, GR, etc.) 3434 KB, 3427 GL	14. Elev. Casinghead
15. Total Depth 3000'	16. Plug Back T.D. 2950'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By Rotary Tools X	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 2461-2619', San Andres				20. Was Directional Survey Made No
21. Type Electric and Other Logs Run - Cement Bond and Laterolog			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 ppf	398'	12 1/4"	300 sxs	
5 1/2"	15.5 ppf	3000'	7 7/8"	530 sxs	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8"	2542'	

26. Perforation record (interval, size, and number) 2461-2466 2571-2573 2489-2491 2591-2593 2493-2497 2599-2601 2533-2544 2607-2610 2549-2561 2617-2619	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2461-2561 = 1 spf Acidized w/120 bbls 15% HCl 2571-2619 = 2 spf Frac w/99,000 lbs 16/30 Sd & 1231 gelled fluid
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28. PRODUCTION

Date First Production (oil) 8/21/06	Production Method (Flowing, gas lift, pumping - Size and type pump) Pump 2" x 1 3/4" X 10'	Well Status (Prod. or Shut-in) Prod					
Date of Test 8/21/06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 28	Gas - MCF 3	Water - Bbl. 68	Gas - Oil Ratio
Flow Tubing Press. 75	Casing Pressure 68	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.) 37.2	

29. Disposition of Gas (Sold, used for fuel, vented, etc.) N/A	Test Witnessed By Danny White
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30. List Attachments
 Deviation Certification; logs

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	Printed Name: Susan Perkins	Title: Regulatory Coordinator	Date 8/28/06
E-mail Address: s.perkins@mdtrn.com			

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		Northwestern 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 1104	T. Devonian	T. Menefee	T. Madison
T. Queen 1701	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg 2040	T. Montoya	T. Mancos	T. McCracken
T. San Andres 2491	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Buse Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinberry	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.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	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
1104	1701	597	DOLOMITE + SANDSTONE
1701	2040	339	SANDSTONE + DOLOMITE
2040	2491	451	DOLOMITE, MIN. SANDSTONE
2491	TD		DOLOMITE