

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, 20071a Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Otherb Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff' Resv.,
Other _____2 Name of Operator **McKay Oil Corporation**3 Address **P. O. Box 2014, Roswell, NM 88201**3a Phone No (include area code)
505-623-4735

4 Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface **810' ESL, 660' FWL**

At top prod interval reported below

At total depth **3106'****JUL 31 2007****OCD-ARTESIA**14 Date Spudded
02/26/200615 Date T/D Reached
03/12/200616 Date Completed
☐ D & A ☒ Ready to Prod5 Lease Serial No
NMI-36192

6 If Indian, Allottee or Tribe Name

7 Unit or CA Agreement Name and No

8 Lease Name and Well No
Lookout B Federal 39 AFI Well No
30-005-63754 S110 Field and Pool, or Exploratory
West Pecos ABO Slope11 Sec, T, R, M, on Block and
Survey or Area **SEC10, T6S, R22E**12 County or Parish
Chaves13 State
NM17 Elevations (DF, RKB, RT, GL)*
4331'18 Total Depth MD
TVD 3106'19 Plug Back T/D MD
TVD 3060'20 Depth Bridge Plug Set MD
TVD

21 Type Electric & Other Mechanical Logs Run (Submit copy of each)

GR, Deviation Survey22 Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☒ 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 Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	24#J55		1030'		765 sks CI C			
						w/2%Calc			
7 7/8"	4 1/2"	10.5#J55		3070'		290sks CI C			
						w/2%Calc			

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"	2708'	2790'						

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status
A) Abo			2818' - 2834'		4spf	open
B) Abo			2941' - 2957'		4spf	open
C)						
D)						

27 Acid, Fracture Treatment Cement Squeeze, etc

Depth Interval	Amount and Type of Material
2818' - 2957'	Frac w/50,000lbs Brn Sand, 43,946gal gel. Acid wash w/1,000gal NEFE, 2,500gal 10%HCL
2818' - 2834'	Frac w/2,000lbs 20/40 Sand, 16,059lbs 14/30 LiteProp, 4,000lbs 16/30 SiberProp. Acid wash w/1,852gal 5%KCL

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
06/06/2007	06/06/2007	4	→	0	177	0			Flowing for test purposes
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
32/64	SI	100	→	0	1,062	0			Flowing for test purposes

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

JUL 27 2007ALEXIS C. SWOBODA
PETROLEUM ENGINEER

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.)

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
Tubb Abo Yeso	2573' 2801' 1077'				

32 Additional remarks (include plugging procedure)

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

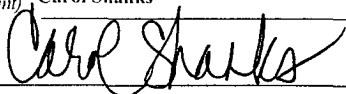
- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
☐ Sundy Notice for plugging and cement verification
☐ Core Analysis
☐ Other

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) Carol Shanks

Title Production Analyst

Signature



Date

7/19/07

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

McKay Drilling Corporation

Roy L. McKay, President

Mailing Address: P.O. Box 2014 Roswell, NM 88202 * Telephone 505 / 623 - 4735

Street Address: One McKay Place Roswell, NM 88201 * Fax No. 505 / 624 - 2202

OIL
&
GAS

July 19, 2007

Bureau of Land Management
2909 W. Second Street
Roswell, NM 88201-2019

RE: Lookout B Fed #3
810' FSL, 660' FWL, LOT M, SEC 10, T6S, R22E
Chaves County, New Mexico

Spud 2/26/06

DEVIATION SURVEY

1/2 °	@	438'
1 1/2 °	@	990'
3/4 °	@	1975'
1/2 °	@	2360'
3/4 °	@	2760'

TD 3106'

Released Date 03/13/06

Sincerely,



Carol Shanks
Production Analyst

STATE OF NEW MEXICO)

COUNTY OF CHAVES)

The foregoing instrument was Acknowledged before me this 19th day of July 2007, by the person known to me to be Carol Shanks.

My Commission Expires: July 22, 2010


Notary Public

LEASES

PRODUCTION

INVESTMENTS