

Submit to Appropriate District Office (Two 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		<div style="text-align: center;"> Form C-105 July 17, 2008 </div>																															
WELL COMPLETION OR RECOMPLETION REPORT AND LOG				1. WELL API NO. 30-015-36131 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN 3. State Oil & Gas Lease No.																															
4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC)				5. Lease Name or Unit Agreement Name South Red Lake II Unit 6. Well Number: 059 <div style="text-align: right;"> SEP 10 2008 OGD-ARTESIA </div>																															
7. Type of Completion: <input checked="" type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input type="checkbox"/> OTHER				9. OGRID 241598																															
8. Name of Operator Fairway Resources Operating, LLC				11. Pool name or Wildcat San Andres																															
10. Address of Operator 538 Silicon Drive, Suite 101, Southlake, TX 76092				12. Location <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Unit Ltr</td> <td>Section</td> <td>Township</td> <td>Range</td> <td>Lot</td> <td>Feet from the</td> <td>N/S Line</td> <td>Feet from the</td> <td>E/W Line</td> <td>County</td> </tr> <tr> <td>Surface:</td> <td>C</td> <td>36</td> <td>17S</td> <td>27E</td> <td>660</td> <td>NORTH</td> <td>2310</td> <td>West</td> <td>EDDY</td> </tr> <tr> <td>BH:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>		Unit Ltr	Section	Township	Range	Lot	Feet from the	N/S Line	Feet from the	E/W Line	County	Surface:	C	36	17S	27E	660	NORTH	2310	West	EDDY	BH:									
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13. Date Spudded 4/22/08		14. Date T.D. Reached 4/28/08		15. Date Rig Released 4/28/08																															
16. Date Completed (Ready to Produce) 5/26/08		17. Elevations (DF and RKB, RT, GR, etc) 3618 GR																																	
18. Total Measured Depth of Well 2123		19. Plug Back Measured Depth		20. Was Directional Survey Made? NO																															
21. Type Electric and Other Logs Run Comp. Neutron Gamma Ray/CCL <input checked="" type="checkbox"/>																																			
22. Producing Interval(s), of this completion - Top, Bottom, Name 1441, 1728, Grayburg																																			
23. CASING RECORD (Report all strings set in well)																																			
CASING SIZE		WEIGHT LB./FT		DEPTH SET																															
8 5/8		20# X-65		411"																															
5 1/2		15.5# J-55		2123																															
24. LINER RECORD																																			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN																															
25. TUBING RECORD																																			
SIZE	DEPTH SET		PACKER SET																																
2 3/8	1870		n.a.																																
26. Perforation record (interval, size, and number) Perf Grayburg 1 SPF, 4" holes at 1441, 1443, 1451, 1519, 1520, 1521, 1522, 1577, 1578, 1579, 1609, 1610, 1611, 1618, 1630, 1631, 1669, 1670, 1673, 1685, 1687, 1689, 1691, 1693, 1717, 1718, 1719, 1720, 1721 28 holes total																																			
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>DEPTH INTERVAL</td> <td>AMOUNT AND KIND MATERIAL USED</td> </tr> <tr> <td>San Andres</td> <td>1500 gal 15% NEFE acid w/55 ball sealers</td> </tr> <tr> <td>Grayburg</td> <td>1250 bbls fresh water Aquafac 1000 w/36750#</td> </tr> <tr> <td></td> <td>20/40 brown sand and 7500 # 16/30 Siberprop</td> </tr> </table>						DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	San Andres	1500 gal 15% NEFE acid w/55 ball sealers	Grayburg	1250 bbls fresh water Aquafac 1000 w/36750#		20/40 brown sand and 7500 # 16/30 Siberprop																						
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28. PRODUCTION																																			
Date First Production 5/26/08		Production Method (Flowing, gas lift, pumping - Size and type pump) Lufkin 114 pumping unit to central battery			Well Status (Prod. or Shut-in) producing																														
Date of Test 6/12/08	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 8	Gas - MCF 15																														
					Water - Bbl 50																														
					Gas - Oil Ratio 1875																														
Flow Tubing Press.	Casing Pressure 175	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl																														
					Oil Gravity - API - (Corr)																														
29. Disposition of Gas (Sold, used for fuel, vented, etc.) sold					30. Test Witnessed By Mike Jones																														
31. List Attachments																																			
32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.																																			
33. If an on-site burial was used at the well, report the exact location of the on-site burial.																																			
Latitude _____ Longitude _____ NAD 1927 1983																																			
I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief																																			
Signature		Printed Name		Star Hasse	Title Engr. Tech																														
E-mail Address		shasse@fairwayresources.net		Date	9/8/08																														

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 and not later than 60 days after completion of closure. When submitted as a completion report, this 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 11, 12 and 26-31 shall be reported for each zone.

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 A"
T. Salt	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers	T. Devonian	T. Cliff House	T. Leadville
T. Queen	T. Silurian	T. Menefee	T. Madison
T. Grayburg X	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres X	T. Simpson	T. Mancos	T. McCracken
T. Glorieta	T. McKee	T. Gallup	T. Ignacio Otzte
T. Paddock	T. Ellenburger	Base Greenhorn	T. Granite
T. Blinbry	T. Gr. Wash	T. Dakota	
T. Tubb	T. Delaware Sand	T. Morrison	
T. Drinkard	T. Bone Springs	T. Todilto	
T. Abo	T.	T. Entrada	
T. Wolfcamp	T.	T. Wingate	
T. Penn	T.	T. Chinle	
T. Cisco (Bough C)	T.	T. Permian	

OIL OR GAS SANDS OR ZONES

No. 1, from.....1441.....to.....1479.....

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

No. 2, from.....1609.....to.....1721.....

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

DRILLING CONTRACTOR *United Drilling, Inc.*[illegible]

April, 2008
Dora A. Cho
Notary Public
Chaves, NM
County State

10-8-08