| Submit To Appropriate Two Copies   |  | State of New Mexico                   |                         |  |   |                                       | Form C-105   |                      |                                  |  |              |                   |                      |           |                                       |  |
|--|--|---------------------------------------|-------------------------|--|---|---------------------------------------|--|----------------------|----------------------------------|--|--------------|-------------------|----------------------|-----------|---------------------------------------|--|
| District I<br>1625 N French Dr   | Hobbs NM   | 88240                                 | En                      | Energy, Minerals and Natural Resources |   |                                       |  | July 17, 2008        |                                  |  |              |                   |                      |           |                                       |  |
| District II  |  |                                       |                         |  |   | 1. WELL API NO.<br>30-015-36252       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 1301 W. Grand Av<br>District III   |  |                                       |                         | Oil Conservation Division              |   |                                       |  | }                    | 2. Type of Lease                 |  |              |                   |                      |           |                                       |  |
| 1000 Rio Brazos R<br>District IV   | d, Aztec, NN   | A 87410                               |                         |  | 20 South St.                            |                                       |  | Dr.                  |                                  | STA STA  |              | ☐ FEI             |                      | ED/IND    | IAN                                   |  |
| 1220 S. St Francis   | -  |                                       |                         |  | Santa Fe, N                             |                                       |  |                      |                                  | 3. State Oil &   |              |                   |                      |           | Care of the standard of the party     |  |
|  |  | ETION C                               | OR REC                  | OMPL                                   | ETION REF                               | POR                                   | T AN   | <u>D LOG</u>         |                                  | The second secon |              |                   |                      |           |                                       |  |
| 4. Reason for fil  | ing:   |                                       |                         |  |   |                                       |  |                      |                                  | 5. Lease Nam STALEY STA  |              | Init Agre         | ement Na             | me        |                                       |  |
| <b>⊠</b> COMPLET   | ION REPO   | ORT (Fill in b                        | oxes #1 thro            | ough #31                               | for State and Fee                       | wells                                 | only)  |                      | Ī                                | 6. Well Numb   |              |                   |                      |           | · · · · · · · · · · · · · · · · · · · |  |
| [] C-144 CI O  | SHRE ATT   | CACHMENT                              | (Fill in hos            | res#1 thr                              | ough #9 #15 Dat                         | te Rio l                              | Release  | d and #32 an         | d/or                             |  |              |                   |                      |           |                                       |  |
| 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) |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 7. Type of Completion:  ☑ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER   |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 8. Name of Oper  |  |                                       |                         |  |   | <u> </u>                              | II I ISINE   | AVI RESERV           | T                                | 9. OGRID: 255333   |              |                   |                      |           |                                       |  |
| 10 Address of C  | haratar: ale   | a Mika Dinni                          | n I I C 2104            | N Culli                                | van, Farmington,                        | NIM 8'                                | 7401   |                      |                                  | 11 Pool some or Wildoot  |              |                   |                      |           |                                       |  |
| 10. Address of C   | perator, c/t   | o mike rippi                          | 11 LLC, 3104            | r IV. Sumi                             | van, rannington,                        | INIVI O                               | 7401   |                      | ŀ                                | 11. Pool name or Wildcat:<br>RED LAKE GLORIETA-YESO 51120  |              |                   |                      |           |                                       |  |
| 12.Location  | Unit Ltr   | Section                               | Town                    |  | Range                                   | Lot                                   | Feet from the  |                      | the                              |  |              | from the          |                      |           | County                                |  |
| Surface:   | N  | 30                                    | 17-S                    |  | 28-E                                    |                                       |  | 990                  |                                  | South  | 1986         | 0                 | West                 |           | Eddy                                  |  |
| BH:  |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 13. Date Spudde  |  | te T.D. Reach                         |                         |  | Released                                |                                       |  |                      | pleted                           | (Ready to Prod   | luce         |                   |                      |           | and RKB,                              |  |
| 6/23/08<br>18. Total Measur  | 7/2/08<br>red Denth o  | f Well                                |                         | /08<br>Plug Bad                        | ck Measured Dep                         | th                                    |  | /20/08<br>0 Was Dire | ctions                           | l Survey Made  | <del>)</del> |                   | RT, GR, e            |           | ther Logs Run                         |  |
| 4025'  | ica Bepairo  | ı wen                                 | 401                     |  | ok Measured Dep                         |                                       |  | es                   | otiona                           | i Bui vey iviade   | •            |                   | ion & Der            |           |                                       |  |
| 22. Producing In   |  | this complet                          | ion - Top, B            | ottom, N                               | ame                                     |                                       |  |                      |                                  |  |              | <u> </u>          |                      |           |                                       |  |
| 3308'-3498'  | Yeso   |                                       |                         |  | TNIC DEC                                | <del></del>                           | · (B)  |                      |                                  |  | 11\          |                   |                      |           |                                       |  |
| 23.  | ar I   | WEIGHT                                | ID from                 | CAS                                    | ING RECO                                | ORD                                   |  |                      | tring                            |  |              | CORR              |                      | (OI D.W.  | DIHLIED                               |  |
| CASING SI<br>8-5/8"  | ZE   | WEIGHT<br>23#                         |                         |  |   |                                       | HOLE SIZE<br>12-1/4"   |                      | CEMENTING RECORD  375 sx Class C |  | Ar           | AMOUNT PULLED  0' |                      |           |                                       |  |
| 5-1/2" 14# J-5   |  |                                       |                         |  |   |                                       | 7-7/8"   |                      | 375 sx 35/65 Poz/C               |  |              | 0'                |                      |           |                                       |  |
|  |  | <del></del>                           |                         |  |   |                                       | + 550 sx   |                      |                                  | sx C   | K C          |                   |                      |           |                                       |  |
|  |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
|  |  | · · · · · · · · · · · · · · · · · · · |                         |  |   |                                       |  |                      |                                  | <u></u>  |              |                   |                      |           |                                       |  |
| SIZE   | TOP  |                                       | воттом                  |  | SACKS CEME                              | INT T                                 | SCREE  | 2N1                  | 25.<br>SIZ                       |  |              | NG REC            |                      | DACVI     | ER SET                                |  |
| SIZE   | TOF  |                                       | BOTTOM                  |  | SACKS CEIVIE                            | 3111                                  | SCREE  | EIN                  |                                  | 7/8"   |              | 595°              | 31                   | PACK      | EK SE I                               |  |
| 26. Perforation  |  |                                       |                         |  |   |                                       | 27. A  | CID, SHOT            | , FR                             | ACTURE, CE   | MEN          | IT, SQU           | JEEZE, I             | ETC.      |                                       |  |
|  |  |                                       |                         |  | 3', 44', 45', 46', 5<br>' 3429' 41' 53' | 567 F                                 |  |                      | L                                | AMOUNT A   |              |                   |                      |           | 0.20.000 1                            |  |
| 66', 73', 75', 76', 78', 80', 82', 84', 86', 95', 96', 97', 98', 99', 3429', 41', 53 63', 65', 84', 98'. (1 spf, 38 holes)   |  |                                       |                         |  | , 5125 , 11 , 55 ,                      | 50,                                   | 3308'-3498' 3500 gals 15% NEFE; 20,000 gals 20% HCL 40# linear gel, 20 perf balls & 3000 gal 15% H |                      |                                  |  |              |                   |                      |           |                                       |  |
|  |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
|  |  |                                       | ***                     |  |   | [                                     |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 28.  |  |                                       |                         |  |   |                                       |  | <b>CTION</b>         |                                  |  |              |                   |                      |           |                                       |  |
| Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) Pumping Producing   |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| Date of Test   | Hours  | Tested                                | Choke Siz               | e                                      | Prod'n For                              |                                       | Oil - B  | bl                   |                                  | - MCF  |              | ater - Bb         | ıl.                  | 1         | Dil Ratio                             |  |
| 10/10/08   | 24   |                                       |                         |  | Test Period:                            | 1                                     | 15   |                      | 27                               |  | 263          | 2                 |                      | 1800      |                                       |  |
| Flow Tubing<br>Press.  | Casing   | Pressure                              | Calculated<br>Hour Rate |  | Oil - Bbl.                              | · · · · · · · · · · · · · · · · · · · | Ga<br>27   | s - MCF              |                                  | Water - Bbl.<br>262  |              | Oil Gr<br>35.18   | ravity - Al          | PI - (Cor | r.)                                   |  |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)  Sold  30. Test Witnessed By: Jerry Smith   |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
| 31. List Attachments Deviation Report  |  |                                       |                         |  |   |                                       |  |                      |                                  |  |              |                   |                      |           |                                       |  |
|  | 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 u   | ised at the we                        | II, report the          | exact lo                               | cation of the on-si                     | ite bur                               | ial:   |                      |                                  |  |              |                   |                      |           |                                       |  |
| I hereby certi   | fy that the  | e informati                           | on shown                | on hot                                 | Latitude<br>h sides of this             | form                                  | is true  | and com              | nlata                            | Longitude  | fm           | buoI              | adaa a               | d ball    | IAD 1927 1983                         |  |
| Signature '  | MA   | to his                                | Qin                     |  | Printed<br>Name Mike                    |                                       |  | _                    |                                  | oleum Engin  |              |                   | eage and<br>te: 10/2 |           | •                                     |  |
| E mail Add   |  | //<br>@ninni=11-                      | 0000                    |  |   | • •                                   |  |                      |                                  |  | -            |                   |                      |           |                                       |  |
| E-mail Addre   | ss. mike(a   | <i>y</i> pippiniic                    | COIN                    |  | TRICO                                   |                                       |  |                      |                                  |  |              |                   |                      | ·         |                                       |  |

## **STALEY STATE #4**

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

| Southea                  | stern New Mexico | Northy             | 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. Queen1046'            | T. Silurian      | T. Menefee         | T. Madison   |  |  |  |
| T. Grayburg <u>1470'</u> | T. Montoya       | T. Point Lookout   | T. Elbert  |  |  |  |
| T. San Andres 1777'      | T. Simpson       | T. Mancos          | T. McCracken   |  |  |  |
| T. Glorieta <u>3165'</u> | T. McKee         | T. Gallup          | T. Ignacio Otzte   |  |  |  |
| T. Yeso 3272'            | T. Ellenburger   | Base Greenhorn     | T.Granite  |  |  |  |
| T. Blinebry              | T. Gr. Wash      | T. Dakota          |  |  |  |  |
| T.Tubb                   | T. Delaware Sand | T. Morrison        |  |  |  |  |
| T. Drinkard              | T. Bone Springs  | T.Todilto          |  |  |  |  |
| T. Abo                   | Т.               | T. Entrada         | The state of the s |  |  |  |
| T. Wolfcamp              | Т.               | T. Wingate         |  |  |  |  |
| T. Penn                  | T.               | T. Chinle          |  |  |  |  |
| T. Cisco (Bough C)       | T.               | T. Permian         |  |  |  |  |
|                          |                  |                    | OH OD CAS  |  |  |  |

|                             |                                 |                        |   | OR GAS<br>OR ZONE |
|-----------------------------|---------------------------------|------------------------|---|-------------------|
| No. 1, from                 | to                              | No. 3, from            | toto                                    |                   |
|                             |                                 | No. 4, from            |   |                   |
|                             |                                 | ANT WATER SANDS        |   |                   |
| Include data on rate of war | ter inflow and elevation to whi | ch water rose in hole. |   |                   |
|                             |                                 | feet                   | • |                   |
|                             |                                 | feet                   |   |                   |
|                             |                                 | <b>C</b>               |   |                   |

## LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | То | Thickness<br>In Feet | Lithology   | From | То | Thickness<br>In Feet | Lithology |
|------|----|----------------------|-------------|------|----|----------------------|-----------|
|      |    |                      | - On File - |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
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|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |
|      |    |                      |             |      |    |                      |           |

| WELL NAME AND NUMBER       |   |  |
|----------------------------|---|--|
| LOCATION Section 30, T178  | 5, R28E, 990FSL, 1980FWL, 1             | Eddy County                              |
| OPERATOR Limerock/Sdx      | II. a. J.D. alian L.                    |  |
| DRILLING CONTRACTOR        | United Drilling, Inc.                   |  |
| The undersigned hereby cer | rtifies that he is an authorized re     | epresentative of the drilling contractor |
| •                          |   | ion test and obtained the following      |
| results:                   | Will the little boundarion do via w     | to to the total the total wing           |
| 1000107                    |   |  |
| Degrees @ Depth            | Degrees @ Depth                         | Degrees @ Depth                          |
| 3/4 @ 412'                 | *************************************** |  |
| 1 @ 993'                   |   |  |
| 3/4 @ 1495'                |   |  |
| 1/2 @ 1999'                |   |  |
| 1/4 @ 2533'                |   |  |
| 1/2 @ 3005'                |   |  |
| <u>3/4 @ 3509'</u>         |   |  |
| 1/2 @ 4012'                |   |  |
|                            |   |  |
|                            |   |  |
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|                            |   |  |
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|                            |   |  |
|                            |   |  |
|                            |   |  |
|                            | Drilling Contractor-                    | UNITED DRILLING, INC.                    |
|                            |   | Music Barcia                             |
|                            | By:                                     |  |
|                            |   | (Luisa Garcia)                           |
|                            | Title: _                                | Assistant Office Manager                 |
| 0.1. 9.1. 1.               |   | c     ann                                |
| Subscribed and sv          | vorn to before me this $3 d$            | ay of <u>July</u> , 2008                 |
|                            |   | Diamo Colon                              |
|                            | ,                                       | Notary Public                            |
|                            |   | Notary Public                            |
|                            |   | _ Chaves NV                              |
| My Commission Expires:     |   | County State                             |
| 10-8-08                    |   |  |