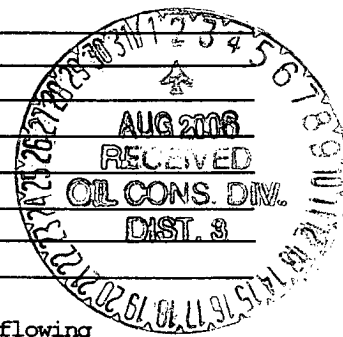


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFBI
FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. NMSF 077972			
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____						6. If Indian, Allottee or Tribe Name			
2. Name of Operator Energex Resources Corporation						7. Unit or CA Agreement Name and No.			
3. Address 2198 Bloomfield Highway, Farmington, NM 87401				3a. Phone No. (include area code) 505.325.6800		8. Lease Name and Well No. Richardson Com #3S			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 820' FSL, 1980' FWL SE/SW At top prod. interval reported below At total depth						9. API Well No. 30-045-32212			
14. Date Spudded 06/30/06		15. Date T.D. Reached 07/03/06		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 07/31/06		10. Field and Pool, or Exploratory Basin Fruitland Coal			
18. Total Depth: MD TVD 1647'		19. Plug Back T.D.: MD TVD 1595'		20. Depth Bridge Plug Set: MD TVD		11. Sec., T., R., M., or Block and Survey or Area N-Sec. 02, T27N, R13W NMPM			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-SP-Density						12. County or Parish San Juan			
						13. State NM			
						17. Elevations (DF, RKB, RT, GL)* 5945' GL			
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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
8.75"	7.0"	23#	J-55	139'		100 sks			118 cu.ft. - circ.
6.25"	4.50"	11.6#	J-55	1640'		150 sks			240 cu.ft. - circ.
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2.375	1449'								
25. Producing Intervals					26. Perforation Record				
Formation	Top	Bottom	Perforated Interval		Size	No. Holes	Perf. Status		
A) Fruitland Coal	1365'	1409'			0.43	56	4 JSPF		
B)									
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval		Amount and Type of Material							
1365' - 1409'		59,062 gals 70Q foamed 20# linear gel & 75,700# 20/40 sand							
		Test production casing to 4000 psi - ok							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
	07/31/06	2	→						flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
	85	85	→		5				
28a. Production-Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
			→						



28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	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	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

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

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
				Nacimiento	
				Ojo Alamo	
				Kirtland	
				Fruitland	930'
				Fruitland Coal	1211'
				Fruitland Coal Base	1411'
				Pictured Cliffs	1440'

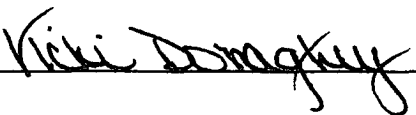
32. Additional remarks (include plugging procedure):

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

<input type="checkbox"/> Electrical/Mechanical Logs (1 full set req'd)	<input type="checkbox"/> Geologic Report	<input type="checkbox"/> DST Report	<input type="checkbox"/> Directional Survey
<input type="checkbox"/> Sundry Notice for plugging and cement verification	<input type="checkbox"/> Core Analysis	<input type="checkbox"/> 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) Vicki Donaghey Title Regulatory Analyst

Signature  Date 08/01/06

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.