

Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other

b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr. ☐ Other _____

2. Name of Operator **COLEMAN OIL & GAS, INC.**

3. Address **P.O. DRAWER 3337, FARMINGTON NM 87401** 3a. Phone No. (include area code) **505-327-0356**

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface **660' FNL 1970' FWL NMPM, LATITUDE 36°19'59" LONGITUDE 107°56'17"**
At top prod. interval reported below
At total depth

5. Lease Serial No. **NMNM 100804**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **JUNIPER 7 #21**

9. AFI Well No. **30-045-33032**

10. Field and Pool, or Exploratory **BASIN FRUITLAND COAL**

11. Sec., T., R., M., on Block and Survey or Area **C, SEC 7, T24N R10W**

12. County or Parish **SAN JUAN** 13. State **NM**

14. Date Spudded **10/08/2006** 15. Date T.D. Reached **10/12/2006** 16. Date Completed **12/05/2006**
☐ D & A ☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)* **6629' GL**

18. Total Depth: MD **1435'** 19. Plug Back T.D.: MD **1378'** 20. Depth Bridge Plug Set: MD
TVD TVD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST, CBL, VDL W/ SP, CAL, GR, CL. SENT BY SCHLUMBERGER

22. 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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8.625 J-5	24	0	136'	133.94'	110 Sks B	27.8	SURFACE	
7 5/8"	5.5" J-55	15.50	0	1435'	1421.92'	130 Sks G It.	60.45		
						90 Sks 50/ 50	20.2	SURFACE	
						G POZ			

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 7/8"	1296'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL	1261'	1277'	1261' - 1277'	.45	64	
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
1261' - 1277'	1000 gallons 7 1/2% FE ACID, 7,493 Gal 20# PAD. 2500# 40/70 Arizona, 65,000# 20/40 Brady with 27,829 gallons 20# gel.

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
12/05/2006	12/08/2006	24	→	0	12	160			ROD PUMP
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
1/8"	SI 30	25	→	0	12	160			PRODUCING WATER, VENTING GAS.

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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	SI		→						

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

DEC 14 2006

NMOCD

FARMINGTON FIELD OFFICE

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.)

VENTED, WAITING ON PIPELINE TIE-IN.

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	SURF.	440'			
OJO ALAMO	440'	528'			
KIRTLAND	528'	1048'			
FRUITLAND	1048'	1287'			
PICTURED CLIFFS	1287'	TD.			

32. Additional remarks (include plugging procedure):

Pressure tested 5 1/2" casing to 3000 psig prior to perforating. Well was put on production with rod pump and started dewatering coal on December 05, 2006.

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

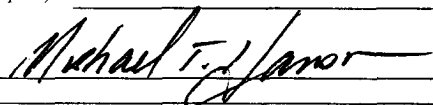
- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
 ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

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) MICHAEL T. HANSON

Title OPERATION ENGINEER

Signature



Date 12/10/2006

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.

Scorpion Drilling Company
PO Box 1051
Farmington New Mexico 87401
scorpiondrilling@advantas.net
AP (505) 326-5001
Fax (505) 326-1786

October 14, 2006

Reference:

Coleman Oil & Gas, Inc.

Juniper 7 # 21

Sec. 7, T24N, R10W

San Juan County, New Mexico

API No. 30-045-33032

A total of six (6) deviation surveys were run using a SURE SHOT tool. These surveys were as follows:

Surface Hole: 136' = 1 deg.

Production Hole: 236' = 1/4 deg., 500' = 1 deg., 750' = 1 deg., 1000' = 1 deg. and 1427' = 1 deg.

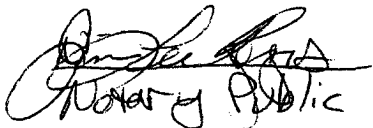
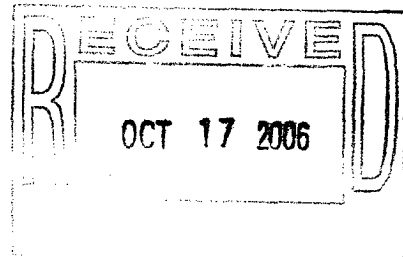
These surveys were given to Coleman Oil & Gas Inc. for placement in the well file.

This is correct and accurate to the best of my knowledge.

Henry Valdez



President / General Manager
Scorpion Drilling Company



Notary Public

My Commission Expires February 24, 2010



Physical Address - 1313 W. Murray Drive, Farmington New Mexico, 87401
Henry Valdez (505) 320-5740
Vic Morrow (505) 320-6912