State of New Mexico

Form C-105

| State Lease - 6 copies | ì | Energy | , Minerals and Na | tural Resources | | | | Rev | vised March 25, 1999 |
|--------------------------------------|---------------------------|-----------------------|----------------------------|----------------------|----------|--------------------------|-------------------------|--|----------------------|
| Fee Lease - 5 copies District I | | | , , = | | | WELL API | NO. | | |
| 1625 N. French Dr., I District II | Hobbs, NM 87240 | OI | L CONSERVATION | NOISIVID P | | | | 007-200 | 668 |
| 811 South First, Artes | sia, NM 87210 | | 1220 South St F | rancis | | 5. Indicate | Type of Lea | ase | |
| District III | A NIM 97410 | | Santa Fe, NM 8 | 7505 | | STA | TE 🔲 I | FEE | |
| 1000 Rio Brazos Rd District IV | Aztec, NM 8/410 | | , | | | State Oil & | Gas Lease | No. | |
| 1220 South Pacheco, | Santa Fe, NM 87505 | | | | 201 | arkitektokoli(ilia erkit | Stateman (1976) | of the Company of the | |
| | OMPLETION | OR RECOME | PLETION REPOR | RI AND LOG | | | | | |
| la. Type of Well: | TI CAS WI | ELL DRY | OTHER Coal B | ad Mahana | | 7. Leas | se Name or Ui | nit Agree | ment Name |
| OILWE | LLLLI GAS WI | CLL IIII DKI | OTHER CORT | eu Menane | 1 | | VPR A | | |
| b. Type of Comp | | | | | | | | | |
| NEW WELL | WORK □ DE | EEPEN BACK | DIFF. RESVR. | OTHER | ŀ | | | | |
| 2. Name of Operate | | LI LIV BACK | ICES VIC. | OTTIER | | 8. Wel | ll No. | | |
| 2 | | | | | ŀ | | | 231 | |
| | | & P COMPANY, | L.P. | | | 0 B | l manna an Will | dest | 0.40 |
| 3. Address of Oper | ator | | | | | 9. Poo | l name or Wile | acat | 96970 |
| | PO BOX 19 | 0. RATON, NEV | MEXICO 87740 | | | Stubblef | ield Canyor | n Raton | – Vermejo Gas |
| 4. Well Location | | | | | | | | | |
| | - | *** | red N. J. | | 120 | | a 1001 | 33 74 | |
| Unit Lette | er <u>E :</u> | 2335 Feet Fr | om The Nort | h Line and | _130 | 9 Feet I | From The _ | West | Line |
| Section | 10 Tow | nship 31N | Rang | ge 20E | | NMPM | Colf | fax Cou | ntv |
| 10. Date Spudded | 11. Date T.D. Re | | Compl. (Ready to Prod.) | | (DF& | | | | Casinghead |
| 04/01/2006 | 04/02/2006 | 5 | 04/18/2006 | _ | 7,973 | J ^a | | • | 7,973 |
| 15. Total Depth | 16. Plug E | Back T.D. 17 | If Multiple Compl. How | - 1 | | Rotary Tools | | Cable T | ools |
| 2,335 | | 2,264' | Zones? | Drilled B | y) | 0 - TD | ì | NONE | |
| | | pletion - Top, Bottom | Name | | 1 | <u> </u> | 20. Was | | onal Survey Made |
| | | | | | | | | | • |
| 802'- 2 | | nejo – Raton Coa | <u>s</u> | | | 22 11 | NO | | |
| | lectric and Other L | | Log / Gamma Ray | | | 22. W No | as Well Cored | i | |
| 23. | ateu Density a | | RECORD (Report | all strings set in w | /ell) | | | | |
| CASING SIZ | E WEIC | GHT LB./FT. | DEPTH SET | HOLE SIZE | 1 | CEMENTING | G RECORD | A) | MOUNT PULLED |
| 8 5/8" | | 23 | 324' | 11" | | 100 | sks | | None |
| 5 1/2" | | 15.5 | 2,294' | 7 7/8" | | 297 | sks | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 24. | | | INER RECORD | | 25. | | UBING REC | | |
| SIZE | TOP | воттом | SACKS CEMENT | SCREEN | SIZI | | DEPTH SE | <u>.T</u> | PACKER SET |
| - | | | | } | 2 7 | 8" | 2,135 | | No |
| 26 Parts | (interval === === === | | | 127 107 2110 | <u> </u> | COLUMN CO | VENT CC | Ince* | FORC |
| 26.Perforation record | (interval, size, and in | imber) | | 27. ACID, SHOT | | | MENT, SQU ND KIND MA | | |
| | | 20'- 2028', 2041'- | 2047' 84 Holes | 802'- 2047' | <u>-</u> | | bs 16/30 | | r กระก |
| 1598'- 1605' | | | | 802 - 2047 | | 202,000 1 | DS 10/30 | Sanu | |
| | | 59'- 1163', 1181'- 1 | | | | | | | |
| 28 | z - 034 , 0/0 - 00 | 83', 910'- 914' 52 | | DUCTION | | | | | |
| Date First Product | ion | Production Method | (Flowing, gas lift, pumpir | | - i | Well Status | (Prod. or Shu | t_in) | |
| 04/28/2006 | | | 2 7/8" tubing, pc pump | | " | Product | | :-111) | |
| | | 1/2"Casing. | | | | | | | |
| Date of Test | Hours Tested | Choke Size | Prod'n For | Oil - Bbl | Cos | - MCF | Water - Bb | | C 07 P-4 |
| 04/28/2006 | 24 hrs. | Full 2" | Test Period | N/A | las | - MCF 28 | 204 | 1. | Gas - Oil Ratio |
| Flow Tubing | Casing Pressure | Calculated 24- | Oil – Bbl. | Gas - MCF | W | ater - Bbl. | | avity - A | PI - (Corr.) |
| Press. | 25 | Hour Rate | N/A | 20 | Ì | 004 | N/A | | |
| 29. Disposition of | 35 Gas (Sold, used for | fuel, vented, etc.) | | | | 204 | Test Witnesse | ed Bv | |
| | _ (_ :::, = ::::) • . | <u> </u> | Sold, used for fuel. | | | | Steven | Medina | 1 |
| 30. List Attachmer | nts | | | | | | | | |
| | | | | | | | | | |
| | | | th sides of this form as | true and complete to | the t | esi of my kno | wledge and | belief. | |
| | 1 | nitchellin | | | | | | | |
| Signature: | Kerless (| <i>NUCKELS</i> rir | nted Shirley A. M | itchell Title | Reg | ulatory Ana | alyst Dat | e: 05 / | /25/2006 |
| | 7 | | | | | | | | |
| | • | | | | | | | | |

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. It 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 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

| IND | ICATI | | TION TOPS IN CONFOR | | | Northwest | ern New Mexico |
|--|-----------------------|-----------------|-------------------------------|--------------------------------------|----------------------|-----------------|------------------|
| T. Anhy | | | T. Canyon | T. Ojo A | lamo | | T. Penn. "B" |
| T. Salt_ | | | T. Strawn | T. Kirtla | nd-Fruit | land | T. Penn. "C" |
| B. Salt | | | T. Atoka | T. Pictur | ed Cliffs | 8 | T. Penn. "D" |
| T. Yates | | | T. Miss | T. Cliff I | Iouse | | T. Leadville |
| T. 7 Rive | ers | | T. Devonian | T. Mene | fee | | T. Madison |
| T. Queen | 1 | | T. Silurian | T. Point | Lookout | | T. Elbert |
| T. Grayb | ourg | | T. Montoya | T. Manc | os | | T. McCracken |
| T. San A | ndres | | T. Simpson | T. Gallu | · | | T. Ignacio Otzte |
| T. Glorie | eta — | | T. McKee | Base Gre | enhorn | | T. Granite |
| T. Paddo | ock | | T. Ellenburger | T. Dakot | a | | T Raton Top 0' |
| T. Blinel | orv | | T. Gr. Wash | T. Morri | son | | T.Vermejo 1,838' |
| | | | | | | · · · · · · · · | Trinidad 2,058' |
| T.Tubb | | | T. Delaware Sand | T.Todilte | ` | | |
| | ard | | T. Bone Springs | T. Entrac | la | | <u>T</u> |
| T. Abo | u | | T. | T. Wines | ite | | T. T. |
| | amn | - | Т | T Chinle | | | T |
| T. Penn | p | | - . | T Permi | an | | |
| - | (Bough | C) | T. T | T Penn | ' A " | | T |
| 1. Claco | (Dough | . () | | | ^ | | OIL OR GAS SAND |
| No. 1 6 | r/1444 | | to | No. 2 | from | | OR ZONES |
| No. 2, fi Include No. 1, fi | rom data on rom | rate of water | to | No. 4, ANT WATER Son water rose in h | from ANDS ole. | feet | toto |
| No. 2, fi Include No. 1, fi No. 2, fi | data on rom | ı rate of water | inflow and elevation to which | No. 4, ANT WATER Son water rose in h | from ANDS ole. | feetfeet | to |
| No. 2, fi Include No. 1, fi No. 2, fi | data on rom | ı rate of water | inflow and elevation to which | No. 4, ANT WATER Son water rose in h | from ANDS ole. | feetfeetfeet | to |
| No. 2, fi Include No. 1, fi No. 2, fi | data on rom | ı rate of water | inflow and elevation to which | No. 4, ANT WATER Son water rose in h | from ANDS ole. | feetfeet | to |