

CMD :
OG5SECT

ONCARD
INQUIRE LAND BY SECTION

10/19/04 14:09:08
OGOMES -TPFR
PAGE NO: 2

Sec : 07 Twp : 16S Rng : 30E Section Type : NORMAL

3 36.32 Federal owned	K 40.00 Federal owned	J 40.00 Federal owned A	I 40.00 Federal owned
4 36.33 CS OPEN R A A	N 40.00 Federal owned A	O 40.00 Federal owned A	P 40.00 Federal owned A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

2:16 PM
Called Jeff Allen
@ The Land Office
827-5754
- left a message to
call me back
and left a
land description

36.32
36.33
72.65
x
152.65
16
312.65

CMD :
OG5SDIR

ONGARD
MAINTAIN SUBDIVISION RESTRICTIONS

10/20/04 08:22:30
OGOMES -TPNJ
Page No: 01

Subdivision Sec : 07 Twp : 16S Rng : 30E UL : 4 Lot-Idn :

S Restn Restriction Description

Comments

OGR Oil & Gas Reserved to U.S.A
PRU Potash Reserved U.S.A.

E0043: Record found; Authority denied to MODIFY/ADD

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05 DELETE	PF06 CONFIRM
PF07 BKWD	PF08 FWD	PF09	PF10	PF11	PF12

8:15 AM 10/20/2004

talked w/ Jeff Albery
@ the SCO who explaining
about the state owning the
surface and all other minerals, except
oil, gas, and potash, which is
retained to the U.S. for ownership.

CMD :
CG6C101

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

10/19/04 14:10:05
OGOMES - JFPR

OGRID Idn : 224400 API Well No: 30 15 32676 APD Status(A/C/P): A
Opr Name, Addr: EDGE PETROLEUM OPERATING COMPANY Aprvl/Cncl Date : 08-26-2003
1301 TRAVIS #2000
HOUSTON, TX 77002

Prop Idn: 33442 HENSHAW 7 FEDERAL

Well No: 1

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn : N	7	16S	30E			FTG 1110 F S	FTG 1320 F W
OCD U/L : N			API County :	15			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/J/I): F Ground Level Elevation : 3758

State Lease No: NM 7724 Multiple Comp (S/M/C) : S
Prpsd Depth : 11100 Prpsd Frmtn : WILDCAT CHESTER (S)

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12



N.M. Oil Cons. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. NM 7724
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Cabal Energy Corporation			7. If Unit or CA Agreement, Name and No. N/A 32105
3a. Address 415 W. Wall, Ste 1700, Midland, TX 79701		3b. Phone No. (include area code) 915-682-0440	8. Lease Name and Well No. Henshaw 7 Fed #1
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1320' FWL & 1110' FSL At proposed prod. zone Same			9. API Well No. 30-015-32676
10. Field and Pool, or Exploratory Wildcat/Chester			11. Sec., T., R., M., or Blk. and Survey or Area Section 7, T-16-S, R-30-E
12. Distance in miles and direction from nearest town or post office* 7.5 miles northwest of the Village of Loco Hills			12. County or Parish Eddy
13. State New Mexico			13. State New Mexico
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	1320'	16. No. of Acres in lease 2480'	17. Spacing Unit dedicated to this well 320 Acre (S 1/2 of Sec.7)
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	600'	19. Proposed Depth ±11,100'	20. BLM/BIA Bond No. on file NM 2860
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3758 GL	22. Approximate date work will start* 2/18/2003	23. Estimated duration 60	
24. Attachments Rooswell Controlled Water Basin			

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>Randell K. Ford</i>	Name (Printed/Typed) Randell K. Ford	Date 1/29/03
Title President		
Approved by (Signature) /s/ JOE G. LARA	Name (Printed/Typed) /s/ JOE G. LARA	Date MAR 07 2003
Title ACTING FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

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.

*(Instructions on reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name HENSHAW "7" FED. COM.	Well Number 1
OGRID No. 194930	Operator Name CABAL ENERGY CORPORATION	Elevation 3758'

Surface Location

UL or lot No. N	Section 7	Township 16-S	Range 30-E	Lot Idn	Feet from the 1110	North/South line SOUTH	Feet from the 1320	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Randell K. Ford Printed Name President Title January 29, 2003 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. JANUARY 24, 2003 Date Surveyed Signature & Seal of Professional Surveyor 03.17.0124
	Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641

Exhibit E
Surface Use & Operations Plan

Location has been moved 100' S. per BLM archeologist request since original NOS submitted.

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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

Form C-104A
Revised June 10, 2003

Submit 1 copy of the final affected wells
list along with 1 copy of this form per
number of wells on that list to appropriate
District Office

Change of Operator

Previous Operator Information:

OGRID: 194930
Name: Cabal Energy Corporation
Address: 415 W. Wall, Suite 1700
Address:
City, State, Zip: Midland, Texas 79701

New Operator Information:

Effective Date: August 26, 2003
New Ogrid: 224400
New Name: Edge Petroleum Oper. Co., Inc.
Address: 1301 Travis, Suite 2000
Address:
City, State, Zip: Houston, Texas 77002

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator
Signature: Jim Keissling

Printed name: Jim Keissling

Title: Chief Engineer

E-mail

Address: jkeissling@edgepet.com

Date: 2-9-04 Phone: 713-427-8883

RECEIVED

FEB 16 2004

OCD-ARTESIA

Previous operator complete below:

Previous
Operator: Cabal Energy Corporation

Previous
OGRID: 194930

Signature: Randell K Ford

Printed Name: Randell K. Ford

E-mail
Address: sandra@rkford.com - or
randell@rkford.com

NMOCD Approval

Signature: Jim Keissling

Printed

Name: SUPERVISOR, DISTRICT II

District:

Date: FEB 17 2004

30-015-32676

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED

FEB 18 2004

OCD-ARTESIA

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

2. Name of Operator
EDGE PETROLEUM OPER. CO., INC.

3a. Address
1301 TRAVIS, #2000 HOUSTON, TEXAS 77002

3b. Phone No. (include area code)
713-427-8883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1320' FWL & 1110' FSL

5. Lease Serial No.

NM 7724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA/Agreement, Name and/or No.
NA

8. Well Name and No.

HENSHAW 7 FEDERAL #1

9. API Well No.
30-015-32676

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
EDDY, NEW MEXICO

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PERMIT
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	TRANSFER
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Effective August 26, 2003 the operator of this well changed from Cabal Energy Corporation to Edge Petroleum Oper. Co., Inc.

Be advised that Edge PETroleum Oper. Co., Inc. is considered to be the operator on the above described lands and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands or portions thereof. Bond coverage for this well is provided by RLI Insurance Company Bond No. NMB000121 (RLB0006074).

APPROVED

FEB 18 2004

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

JIM KEISLING

Title CHIEF

LINDA A. ASKWIG
BUREAU OF LAND MANAGEMENT
ENGINEER ROSWELL FIELD OFFICE

Signature

Date 2-9-04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on reverse)

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-5
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

RECEIVED

2. Name of Operator Edge Petroleum Oper. Co., Inc.

MAR 8 1 2004

3a. Address
1301 Travis, Suite 2000 Houston, TX

3b. Phone No. (include area code)
713-427-8889

BCD-ARTESIA

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1320' FWL & 1110' FSL

5. Lease Serial No.
NM-7724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Henshaw 7 Federal #1

9. API Well No.
30-015-32676

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Eddy Co., New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity <i>surface</i>
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <i>set production and intermediate casing</i>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

3-3-04 Drilled 17 1/2" hole to 475'. Ran 475' 13 3/8" 61# & 68# K-55 casing. Lead slurry: 250 sx CL 'C' + 2% CaCl w/ 1/4# celloflake @ 13.5 PPG. Tail slurry: 200 sx CL 'C' + 2% CaCl @ 14.8 PPG.
Ran 1" pipe tagged cement @ 293'. Pumped 35 sx.
Ran 1" pipe tagged cement @ 250'. Pumped 35 sx.
Ran 1" pipe tagged cement @ 217'. Pumped 75 sx.
Ran 1" pipe tagged cement @ 136'. Pumped 95 sx.
Topped out cement from 38' to surface.

3-10-04 Drilled 12 1/4" hole to 2990'. Ran 2990' 9 5/8" 43.5, 47, & 53.5# S-95 casing. Lead slurry: 1125 sx 35/65 Poz CL 'C', 3% NaCl, 6% bentonite 12.4 PPG. Tail slurry: 200 sx CL 'C', 2% CaCl 14.8 PPG. Circulated cement to surface.

ACCEPTED FOR RECORD

MAR 29 2004

14. I hereby certify that the foregoing is true and correct.
Name (Printed/Typed)

Jim Keisling

Title Chief Engineer

Signature

Jim Keisling

Date

03/19/2004

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

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.

(Instructions on page 2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator
Edge Petroleum Oper. Co., Inc.

3a. Address
1301 Travis, Suite 2000 Houston, TX

3b. Phone No. (include area code)
713-427-8883

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1320' FWL & 1110' FSL Sec. 7, T16S, R30E

5. Lease Serial No.
NM-7724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA/Agreement, Name and/or No.
NA

8. Well Name and No.
Henshaw 7 Federal #1

9. API Well No.
30-015-32676

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Eddy Co., New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other set production casing
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

4-3-04 Drilled 8 1/2" hole to 10,960'. Ran 4 1/2" 11.6# P-110 casing to 10,960'. Lead Slurry: 1465 sx 35:65:6 H + 4% FL52 + 3# LCM + 1/4# celloflake @ 12.4 ppg. Tail Slurry: 775 sx 50:50:2 H + 0.5% FL25 + 0.5% FL52 + 2# salt @ 14.4 ppg. Maintained full returns while cementing.

ACCEPTED FOR RECORD

APR 23 2004

LES BABYAK
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jim Keating

Title V.P. Production

Signature

Jim Keating

Date

04/16/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Accepted for record - NMOCD

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(Instructions on page 2)



GREY WOLF

INCLINATION REPORT

DATE: 06/10/04

WELL NAME AND NUMBER Henshaw 7 Fed #1
LOCATION: Sec 7, T16S, R30E
OPERATOR: Edge Petroleum Oper. Co., Inc
DRILLING CONTRACTOR: Grey Wolf Drilling

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and that he has conducted deviation tests and obtained the following results:

DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH	DEGREE	DEPTH
1.50	1031	0.75	5023	1.50	7364		
1.00	1426	0.50	5370	1.25	7651		
0.50	1686	2.00	5684	1.00	8096		
1.00	1934	0.75	5688	0.75	8650		
1.00	2437	0.75	5972	1.00	9111		
1.00	2694	1.25	6320	1.25	10193		
1.00	3022	2.00	6415	0.75	10950		
0.75	3343	1.25	6510				
1.00	3695	2.00	6615				
0.50	4121	2.00	6729				
0.25	4422	2.50	6857				
0.50	4705	1.75	7238				

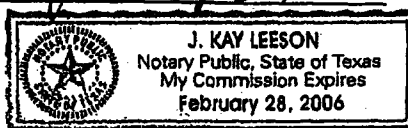
Drilling Contractor:
Grey Wolf Drilling Company, LP

By: Sherry Coskrey
Sherry Coskrey, Office Manager

Subscribed and sworn to before me on this 18th day of June, 2004.

My Commission Expires:

Grey Wolf Drilling Company L.P.
6 Desta Drive, Ste 5850
Midland, Texas 79705-5516
tel (432) 684-6828
fax (432) 684-6841



N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

Artesia, NM 88210

Form 3160-5
(September 2001)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

RECEIVED

2. Name of Operator Edge Petroleum Oper. Co., Inc.

SEP 27 2004

3a. Address
1301 Travis, Suite 2000 Houston, TX3b. Phone No. (Area Code)
713-427-85834. Location of Well (Footage, Sec. T, R, M, or Survey Description)
1320' FWL & 1110' FSL Sec. 7, T16S, R30E5. Lease Serial No.
NM-77246. If Indian, Allottee or Tribe Name
NA7. If Unit or CA/Agreement, Name and/or No.
NA8. Well Name and No.
Henshaw 7 Federal #19. API Well No.
30-015-3267610. Field and Pool, or Exploratory Area
Wildcat11. County or Parish, State
Eddy Co., New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

4/20/04 Perforated Lower Morrow from 10,840'-10,880'. Broke down formation with 41 bbls. 20% NE FE HCL. ATP 7600 psi @ 3.1 BPM. Formation would not flow. Set CIBP @ 10,810' w/ 20' cmt. on top.

4/27/04 Perforated Middle Morrow from 10,506'-10,591'. No fluid or gas entry. Set CIBP @ 10,490' w/ 17' cmt. on top.

5/14/04 Perforated Atoka from 10,206'-10,212'. Broke down with 1000 gallons 15% HCL. ATP 4980 psi @ 1.0 BPM. Small flare. SITP 140 psi. Set CIBP @ 9280' with 20' cement on top.

5/19/04 Perforated Cisco Canyon from 8952'-8954' & 8966'-8970'. Acidized with 1500 gallons 15% HCL. ATP 5100 psi @ 2.4 BPM. Swabbed water. Set CIBP @ 8940' with 20' cement on top.

5/21/04 Perforated Cisco Canyon from 8832'-8852'. Swabbed black water. Set CIBP @ 8820' with 20' cement on top.

6/01/04 Perforated Cisco Canyon from 8696'-8706'. Swabbed water. Set CIBP @ 8690' with 20' cement on top.

6/02/04 Perforated Cisco Canyon from 8628'-8638'. Swabbed water with a show of gas. Set CIBP @ 8615'.

6/04/04 Perforated Cisco Canyon from 8552'-8559' & 8595'-8600'. Swabbed 8 bbls. oil & 105 bbls. water. Set RTBP @ 8584'. Acidized 8552'-8559' with 1000 gallons HCL @ 2500 psi @ 3 BPM. Swabbed 16 BO, 75 BW. POOH w/ RTBP & set CIBP @ 8590'.

6/22/04 Perforated Cisco Canyon from 8478'-8482', 8485'-8488', 8494'-8498', 8508'-8510', 8512'-8514', 8518'-8522', 8526'-8528', 8534'-8536'. Acidized with 2500 gallons 15% HCL @ 2215 psi @ 3 BPM. Swabbed 15 BO & 110 BW.

8/07/04 Placed well on pump. Pumped 15 BOPD, 0 MCFD, 152 BWPD on 8/27/04.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Jim Keisling

Title V.P. Production

Signature

Date

09/17/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on page 2)

N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-4
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NM 7724	
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 Edge Petroleum Oper. Co., Inc.		7. Unit or CA Agreement Name and No.	
3. Address 1301 Travis, Suite 2000 Houston, Texas 77002		8. Lease Name and Well No. Henshaw 7 Federal #1	
3a. Phone No. (include area code) 713-427-8883		9. AFI Well No. 30-015-32676	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1320' FWL & 1110' FSL of Sec. 7, T16S - R30E At top prod. interval reported below Same At total depth Same		10. Field and Pool, or Exploratory Wildcat, Upper Penn.	
11. Sec., T., R., M., on Block and Survey or Area Sec. 7, T16S, R30E		12. County or Parish Eddy	
13. State NM		17. Elevations (DF, RKB, RT, GL)* 3758' GL	
14. Date Spudded 03/02/2004	15. Date T.D. Reached 04/03/2004	16. Date Completed 08/07/2004 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.	
18. Total Depth: MD 10,960' TVD 10,960'	19. Plug Back T.D.: MD 8590' TVD	20. Depth Bridge Plug Set: MD 8590' TVD 8590'	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Dual Laterolog, Density-Neutron		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)
17 1/2"	13 3/8"	61/68	Surf.
12 1/4"	9 5/8"	47/53.5	Surf.
8 1/2"	4 1/2"	11.5	Surf.
24. Tubing Record			
Size	Depth Set (MD)	Packer Depth (MD)	Size
2 3/8"	8530'	-	
25. Producing Intervals			
Formation	Top	Bottom	Perforated Interval
A) Cisco	8478'	8559'	8478'-82', 8485'-88'
B)			8494'-98', 8508'-10'
C)			8512'-14', 8518'-22'
D)			8526'-28', 8534'-36'
26. Perforation Record			
27. Acid, Fracture, Treatment, Cement Squeeze, etc. 8552'-59'			
Depth Interval		Amount and Type of Material	
8478'-8559'		2500 gals. 15% HCL	
28. Production - Interval A			
Date First Produced 08/07/2004	Test Date 08/27/2004	Hours Tested 24	Test Production →
Oil BBL 15	Gas MCF -	Water BBL 152	Oil Gravity Corr. API
Gas Gravity	Production Method Pumping	SEP 24 2004	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →
Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio
Well Status			
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	SEP 24 2004	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate
Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio
Well Status			

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

RECEIVED

SEP 27 2004

ARTEZIA

ACCEPTED FOR RECORD

LES BABYAK
PETROLEUM ENGINEER

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.)

TSTM

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
				SAN ANDRES GLORIETA CISCO ATOKA U. MORROW LM. L. MORROW SD. CHESTER MISS	2680 4160 8400 10,200 10,260 10,520 10,580 10,820

32. Additional remarks (include plugging procedure):

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) Jim KeislingTitle Vice Pres. ProductionSignature Jim KeislingDate 09/17/2004

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.

County Eddy

Pool High Lonesome-Atoka Gas

TOWNSHIP 16 South

Range 29 East

NMPM

6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Description: E/2 Sec. 13 (A-11908, 2-12-03)