Submit To Appropriate District, Office State Lase - 6 copies Energy, Minerals and Natural Resources
District 1623 N. French Dr., Hobbs, NM 88240 District II 1000 Rub Brazos Rd., Aziec, NM 88210 District II 1000 Rub Brazos Rd., Aziec, NM 87410 District IV 1200 S. St. Francis Dr. Santa Fe, NM 87505 State Oil & Gas Lease No. K—4538
District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1200 South St. Francis Dr. Santa Fe, NM 87505 State Oil & Gas Lease No. K-4538
District II 1000 Rio Brazos Rd., Aziec, NM 87410 District IV 1200 South St. Francis Dr. Santa Fe, NM 87505 State Oil & Gas Lease No. STATE State Oil & Gas Lease No. State Oil & Gas Lease No. R-4538
Santa Fe, NM 87505 State Oil & Gas Lease No. State O
Note
1a. Type of Well: OIL WELL GAS WELL DRY OTHER
DRY OTHER DRY OTHER
NEW WORK DEEPEN BACK RESVR. OTHER 2. Name of Operator Read & Stevens, Inc. 3. Address of Operator P. O. Box 1518 Roswell, NM 88203 4. Well Location Unit Letter B: 330 Feet From The North Section 10 Township 23S Range 26E NMPM Eddy County 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 15. Total Depth 16. Plug Back T.D. 7. If Multiple Compl. How Many Zones? 19. Producing Interval(s), of this completion - Top, Bottom, Name DITHER Saragossa 10 State 8. Well No. 8. Well No. 19. Pool name or Wildcat Happy Valley Delaware 10. Peet From The East I. 10. Line and 2310 Feet From The Eddy County 13. Elevations (DF& RKB, RT, GR, etc.) 14. Elev. Casinghead 10/10/04 10/21/04 11/20/04 3,297 GL 15. Total Depth 16. Plug Back T.D. 7. If Multiple Compl. How Many Zones? 19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made
Read & Stevens, Inc. 3. Address of Operator P. O. Box 1518 Roswell, NM 88203 Unit Letter B: 330 Feet From The North Section 10 Township 23S Range 26E NMPM Eddy County 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 10. Township 21S Roswell 13. Elevations (DF& RKB, RT, GR, etc.) 10/10/04 10/21/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 11/20/04 18. Intervals Drilled By Rotary Tools Cable Tools 3,200 3,134 8 11
Read & Stevens, Inc. 29 7004 2 2004 2 2004 2 2004 2 2004 2 2004 2 2004 2 2004 2 2004 2 2005 2
3. Address of Operator P. O. Box 1518 Roswell, NM 88203 Unit Letter B: 330 Feet From The North Line and 2310 Feet From The East Section 10 Township 23S Range 26E NMPM Eddy County 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 10. Township 13. Elevations (DF& RKB, RT, GR, etc.) 10. Total Depth 16. Plug Back T.D. 17. If Multiple Compl. How Many Zones? 3,200° 3,134° 19. Producing Interval(s), of this completion - Top, Bottom, Name 9. Pool name or Wildcat Happy Valley Delaware 10. Ready County 13. Elevations (DF& RKB, RT, GR, etc.) 14. Elev. Casinghead 19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made
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10/10/04 10/21/04 11/20/04 3,297 GL
3,200 Drilled By 19. Producing Interval(s), of this completion - Top, Bottom, Name Zones? Drilled By A11 20. Was Directional Survey Made
3,200 3,134 A11 19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made
19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made
0.6711.0.6011.0.1
2,674'-2,684' Delaware No
21. Type Electric and Other Logs Run GR.CBL.VDL GR—DLL/CNL—LDT No
GR, CBL, VDL GR-DLL/CNL-LDT No CASING RECORD (Report all strings set in well)
CASING SIZE WEIGHT LB./FT. DEPTH SET HOLE SIZE CEMENTING RECORD AMOUNT PULLED
8 5/8" 24# 662' 12 1/4" 350 sx Circ to surface
5 1/2" 15.5# 3.196' 7 7/8" 1.250 sx Circ to surface
24. LINER RECORD 25. TUBING RECORD
SIZE TOP BOTTOM SACKS CEMENT SCREEN SIZE DEPTH SET PACKER SET
2 7/28 ¹¹ 2,751 ¹
26. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED
2,674'-2,684' Acidize 500 gal 7 1/2% NEFe
2,674'-2,684' Acidize 500 gal 7 1/2% NEFe
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe 4 spf Total holes 40 Frac stimulate 40,400# sand
2,674'-2,684' 4 spf Total holes 40 DEPTH INTERVAL 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel
2,674'-2,684' 4 spf Total holes 40 PRODUCTION AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel
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DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) 11/20/04 Pumping Date of Test Hours Tested Choke Size Prod'n For Test Period Oil - Bbl Gas - MCF Water - Bbl. Gas - Oil Ratio
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) 11/20/04 Pumping Producing Date of Test Hours Tested Choke Size Prod'n For Test Period Test Period 45 TSTM 182 — Flow Tubing Casing Pressure Calculated 24- Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.)
DEPTH INTERVAL 2,674'-2,684' 4 spf Total holes 40 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) Producing Date of Test Hours Tested Choke Size Prod'n For Test Period Test Period Test Period Test Period Test Period Total Press. Calculated 24- Hour Rate DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel Producing Producing Producing Oil - Bbl Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.) Press. Oil Gravity - API - (Corr.)
DEPTH INTERVAL 2,674 - 2,684 Acidize 500 gal 7 1/2% NEFe 4 spf Total holes 40 PRODUCTION Date First Production 11/20/04 Pumping Production Method (Flowing, gas lift, pumping - Size and type pump) Date of Test Hours Tested Production Test Period Casing Pressure Press. DEPTH INTERVAL 2,674 - 2,684 Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400 sand contained in 30 x-linked gel PRODUCTION Well Status (Prod. or Shut-in) Producing Producing Oil - Bbl Gas - MCF Water - Bbl Gil Gravity - API - (Corr.) Hour Rate 45 TSTM 182 41.9
DEPTH INTERVAL 2,674'-2,684' 4 spf Total holes 40 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) 11/20/04 Pumping Date of Test Hours Tested Production Hours Tested Choke Size Prod'n For Test Period Test Period Press. Calculated 24- Hour Rate 45 TSTM 182 41.9 Pest Witnessed By Pest Witnessed By
DEPTH INTERVAL 2,674 - 2,684 Acidize 500 gal 7 1/2% NEFe 4 spf Total holes 40 PRODUCTION Date First Production 11/20/04 Pumping Production Method (Flowing, gas lift, pumping - Size and type pump) Date of Test Hours Tested Production Test Period Casing Pressure Press. DEPTH INTERVAL 2,674 - 2,684 Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400 sand contained in 30 x-linked gel PRODUCTION Well Status (Prod. or Shut-in) Producing Producing Oil - Bbl Gas - MCF Water - Bbl Gil Gravity - API - (Corr.) Hour Rate 45 TSTM 182 41.9
DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 2,674'-2,684' Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel 28 PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) 11/20/04 Pumping Producing Date of Test Hours Tested Choke Size Prod'n For Test Period 45 Flow Tubing Casing Pressure Calculated 24-Hour Rate 45 Pross. Calculated 24-Hour Rate 45 TSTM 182
2,674*-2,684* 4 spf Total holes 40 2,674*-2,684* Acidize 500 gal 7 1/2% NEFe Frac stimulate 40,400# sand dontained in 30# x-linked gel 28 PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) 11/20/04 Pumping Producing Date of Test Hours Tested Choke Size Prod'n For Test Period 11/23/04 24 Flow Tubing Casing Pressure Calculated 24- Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.) Press. 45 TSTM 182 45 TSTM 182 41.9 29 Disposition of Gas (Sold, used for fuel, vented, etc.) None 30. List Attachments
2,674'-2,684' 4 spf Total holes 40 Production Method (Flowing, gas lift, pumping - Size and type pump) Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Date of Test Hours Tested Choke Size Prod'n For Test Period 45 Flow Tubing Casing Pressure Calculated 24- Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.) Press. Casing Pressure Calculated 24- Oil - Bbl. Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.) Ponne 30. List Attachments Deviation Survey. Logs previously sent. 31. I hereby certify that the information shown on-both sides of this form as true and complete to the best of my knowledge and belief Printed
2,674'-2,684' 4 spf Total holes 40 PRODUCTION Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Date of Test Hours Tested Choke Size Prod'n For Test Period 11/23/04 Flow Tubing Press. Calculated 24- Oil - Bbl. Casing Pressure Calcula

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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.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Souther	astern New Mexico	Northwestern New Mexico		
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"	
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"	
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"	
T. Yates	T. Miss	T. Cliff House	T. Leadville	
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison	
T. Queen	T. Silurian	T. Point Lookout	T. Elbert	
T. Grayburg	T. Montoya	T. Mancos	T. McCracken	
Γ. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte	
Γ. Glorieta	T. McKee	Base Greenhorn	T. Granite	
Γ. Paddock	T. Ellenburger	T. Dakota	T	
Γ. Blinebry	T. Gr. Wash	T. Morrison	Т.	
Г.Tubb	T. Delaware Sand 1860	T.Todilto	T	
l'. Drinkard	T. Bone Springs	T. Entrada	T.	
Γ. Abo	T.	T. Wingate	T.	
Γ. Wolfcamp	T.	T. Chinle	T.	
T. Penn	T.	T. Permian	T	
T. Cisco (Bough C)	T.	T. Penn "A"	Т.	

			OIL SANDS	. OR GAS S OR ZONE
No. 1, from	to	No. 3, from	to	
No. 2, from	to	No. 4, from	to	• • • • • • • • • • • • • • • • • • • •
	IMPORT	ANT WATER SANDS		
Include data on rate of water i	inflow and elevation to whic	h water rose in hole.		
No. 1, from	to	feet		
No. 2, from	to	feet	*********	
No. 3, from	to	feet	******************	
Т.Т	THOLOGY RECO	RD (Attach additional sheet it	necessary)	

From	То	Thickness In Feet	Lithology	From	То	Thickness In Feet	Lithology
2674	2684	10	Sandstone			·	·
			·				

OPERATOR:

READ & STEVENS

WELL/LEASE:

SARAGOSA 10 #2

COUNTY:

EDDY, NM

054-0050

RECEIVED NOV 1 6 2004

STATE OF NEW MEXICO **DEVIATION REPORT**

004					
381	1				
662	1 1/4				
907	3 1/4				
970	3 3/4				
1,034	4 3/4				
1,085	4 3/4				
1,113	4 1/2				
1,145	4 3/4				
1,176	4 1/2				
1,239	4 1/2				
1,302	. 4 1/4	And the second second second	and the second s		
1,365	4 1/2				
1,429	4 1/2				
1,491	4				
1,554	3 1/2			*	
1,617	3				
1,709	2 1/2		· .		•
1,805	2				
1,930	1 1/2				
2,087	1 3/4				
2,216	1 3/4				
2,311	1				
2,466	3/4				
2,593	1 1/4	•			
2,782	1 1/4				
3,006	1 1/4				
3,160	3/4				

STATE OF TEXAS **COUNTY OF MIDLAND**

The foregoing instrument was acknowledged before me on November 15th , 2004, by Steve Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

My Commission Expires: 8/23/2007



J ROBERTSON

Notary Public, State of Texas My Commission Expires:

August 23, 2007