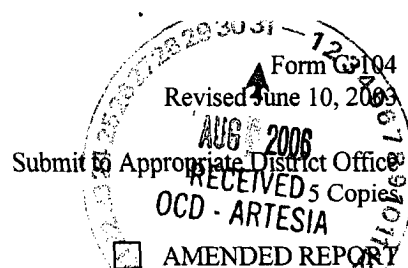


District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                                                     |                                                                |                                                     |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------|
| <sup>1</sup> Operator name and Address<br>Ameistate Exploration LLC<br>111 Congress Ave, # 2700<br>Austin, TX 78701 |                                                                | <sup>2</sup> OGRID Number 158898                    |
|                                                                                                                     |                                                                | <sup>3</sup> Reason for Filing Code/ Effective Date |
| <sup>4</sup> API Number<br>30 - 015-34763                                                                           | <sup>5</sup> Pool Name<br>Millman, Yates TRUS - QU-GB-SA, East | <sup>6</sup> Pool Code 46555                        |
| <sup>7</sup> Property Code<br>302255                                                                                | <sup>8</sup> Property Name East Millman Unit                   | <sup>9</sup> Well Number<br>230                     |

II. <sup>10</sup> Surface Location

|                   |               |                 |              |         |                       |            |                       |           |                |
|-------------------|---------------|-----------------|--------------|---------|-----------------------|------------|-----------------------|-----------|----------------|
| UL or lot no<br>C | Section<br>14 | Township<br>19S | Range<br>28E | Lot Idn | Feet from the<br>1261 | North Line | Feet from the<br>2514 | West line | County<br>Eddy |
|-------------------|---------------|-----------------|--------------|---------|-----------------------|------------|-----------------------|-----------|----------------|

<sup>11</sup> Bottom Hole Location

|                             |                                             |                                      |                                   |                                    |                                     |                  |               |                |        |
|-----------------------------|---------------------------------------------|--------------------------------------|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
| UL or lot no.               | Section                                     | Township                             | Range                             | Lot Idn                            | Feet from the                       | North/South line | Feet from the | East/West line | County |
| <sup>12</sup> Lse Code<br>S | <sup>13</sup> Producing Method<br>Code<br>P | <sup>14</sup> Gas Connection<br>Date | <sup>15</sup> C-129 Permit Number | <sup>16</sup> C-129 Effective Date | <sup>17</sup> C-129 Expiration Date |                  |               |                |        |

III. Oil and Gas Transporters

|                                    |                                                      |                   |                   |                                                     |
|------------------------------------|------------------------------------------------------|-------------------|-------------------|-----------------------------------------------------|
| <sup>18</sup> Transporter<br>OGRID | <sup>19</sup> Transporter Name<br>and Address        | <sup>20</sup> POD | <sup>21</sup> O/G | <sup>22</sup> POD ULSTR Location<br>and Description |
| 015694                             | Navajo Refining<br>P. O. Box 195, Artesia, NM 88211  | 2232910           | O                 | C-S14-T19S,R 28E                                    |
| 036785                             | Duke Energy, 10 Desta Dr. 400 W<br>Midland, TX 79705 |                   |                   | C-S14-T19S,R 28E                                    |
|                                    |                                                      |                   |                   |                                                     |
|                                    |                                                      |                   |                   |                                                     |
|                                    |                                                      |                   |                   |                                                     |
|                                    |                                                      |                   |                   |                                                     |

IV. Produced Water

|                   |                                                  |
|-------------------|--------------------------------------------------|
| <sup>23</sup> POD | <sup>24</sup> POD ULSTR Location and Description |
|-------------------|--------------------------------------------------|

V. Well Completion Data

|                                    |                                                          |                           |                             |                                             |                       |
|------------------------------------|----------------------------------------------------------|---------------------------|-----------------------------|---------------------------------------------|-----------------------|
| <sup>25</sup> Spud Date<br>4-28-06 | <sup>26</sup> Ready Date<br>6/27/06 water<br>8/21/06 Oil | <sup>27</sup> TD<br>3000' | <sup>28</sup> PBSD<br>2950' | <sup>29</sup> Perforations<br>2461' - 2619' | <sup>30</sup> DHC, MC |
| <sup>31</sup> Hole Size*           | <sup>32</sup> Casing & Tubing Size                       | <sup>33</sup> Depth Set   | <sup>34</sup> Sacks Cement  |                                             |                       |
| 12 1/4"                            | 8 5/8"                                                   | 398'                      | 300                         |                                             |                       |
| 7 7/8"                             | 5 1/2"                                                   | 3000'                     | 530                         |                                             |                       |
|                                    | 2 3/8"                                                   | 2542'                     |                             |                                             |                       |

VI. Well Test Data

|                                       |                                            |                                    |                                     |                                   |                                                |
|---------------------------------------|--------------------------------------------|------------------------------------|-------------------------------------|-----------------------------------|------------------------------------------------|
| <sup>35</sup> Date New Oil<br>8-21-06 | <sup>36</sup> Gas Delivery Date<br>8-21-06 | <sup>37</sup> Test Date<br>8/21/06 | <sup>38</sup> Test Length<br>24 hrs | <sup>39</sup> Tbg. Pressure<br>75 | <sup>40</sup> Csg. Pressure<br>68              |
| <sup>41</sup> Choke Size              | <sup>42</sup> Oil<br>28                    | <sup>43</sup> Water<br>68          | <sup>44</sup> Gas<br>3              | <sup>45</sup> AOF                 | <sup>46</sup> Test Method<br>3-phase separator |

|                                                                                                                                                                                                                        |                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| <sup>47</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.<br>Signature: | OIL CONSERVATION DIVISION       |
| Printed name:<br>Susan Perkins                                                                                                                                                                                         | Approved by:<br>BRYAN G. ARANT  |
| Title:<br>Production & Regulatory Coordinator                                                                                                                                                                          | Title:<br>DISTRICT II GEOLOGIST |
| E-mail Address:<br>s.perkins@mdtrn.com                                                                                                                                                                                 | Approval Date:<br>AUG 31 2006   |
| Date: 8-28-06                                                                                                                                                                                                          | Phone: 512-391-0300             |