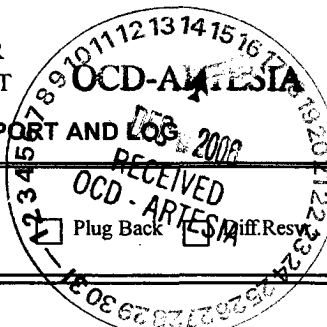


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0137  
Expires March 31, 2007

## 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  
Other

2. Name of Operator

Stephens &amp; Johnson Operating Co.

3. Address

P.O. Box 2249 Wichita Falls TX 76307-2249

3a. Phone No. (include area code)

(940)723-2166

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface 1310' FNL, 330' FEL

At top prod. interval reported below

At total depth 1310' FNL, 330' FEL

14. Date Spudded

10-16-06

15. Date T.D. Reached

10-21-06

16. Date Completed

☐ D & A☒ Ready to Prod.

11-3-06

18. Total Depth: MD

2753' KB

TVD

2753' KB

19. Plug Back T.D.: MD

2725' KB

TVD

2725' KB

20. Depth Bridge Plug Set: MD

TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

22. Was well cored? ☒ No ☐ Yes (Submit analysis)Was DST run ☒ No ☐ Yes (Submit report)Directional Survey? ☒ No ☐ Yes (Submit copy)

Dual Lateralog, Comp. Neutron-Litho Density

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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8"	24	0	295 KB	---	220 sx	51	Surface -	CIR
7 7/8"	5 1/2"	15.5	0	2753 KB	---	900 sx	284	Surface -	CIR

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"	2622' KB							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Grayburg	2092 KB	2562 KB	2441' - 2556' KB	0.44"	26	Open
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
2441' - 2556' KB	3.000 gals 15% NEFE Acid
	103.500 gals 10 lb Brine Water, 20.000 lbs BJ LiteProp 125 (14/30)
	5.000 lbs Super LC 16/30 Sand

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
11-3-06	11-11-06	24	→	86	52	419	40	0.96	Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	
			→	86	52	419	600 cf/bbl		Producing

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

ACCEPTED FOR RECORD  
Pumping  
DEC 13 2006  
Producing  
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.	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.	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

## 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
Queen	1726'	2092'	Sandstone, light gray, very Fine grain	Queen	1726'
Grayburg	2092'	2562'	Dolomite, buff colored, fine to very fine grain	Grayburg San Andres	2092' 2562'

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: Deviation Survey

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) William M. KincaidTitle Petroleum Engineer

Signature

William M. KincaidDate 11-20-06

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.

WELL NAME AND NUMBER East Millman 6-8

LOCATION Unit A, Section 13, T19S, R28E, 1310 FNL, 330 FEL, Eddy County

OPERATOR Stephen & Johnson

DRILLING CONTRACTOR United Drilling, Inc.

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

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/4 @ 295'</u>	<u>                    </u>	<u>                    </u>
<u>1/2 @ 1492'</u>	<u>                    </u>	<u>                    </u>
<u>1/4 @ 2004'</u>	<u>                    </u>	<u>                    </u>
<u>1 @ 2753'</u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>

Drilling Contractor- UNITED DRILLING, INC.

By: *Luisa Garcia*  
(Luisa Garcia)

Title: Assistant Office Manger

Subscribed and sworn to before me this 23 day of Oct, 2006 .

*Dany A. Aho*  
Notary Public  
Chaves NM  
County State

My Commission Expires: 10-8-08