

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies 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 and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-23851 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. 003536													
WELL COMPLETION OR RECOMPLETION REPORT AND LOG															
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> b. Type of Completion: NEW <input type="checkbox"/> WORK <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>		7. Lease Name or Unit Agreement Name <div style="text-align: center; font-size: 1.2em;">Dinero State Com</div>													
2. Name of Operator <div style="text-align: center;">Dinero Operating Company</div>		8. Well No. <div style="text-align: center;">1</div>													
3. Address of Operator <div style="text-align: center;">P.O. Box 10505 Midland, Texas 79702</div>		9. Pool name or Wildcat <div style="text-align: center;">Indian Draw East</div>													
4. Well Location <div style="display: flex; justify-content: space-between;"> Unit Letter C : 660 Feet From The North Line and 660 Feet From The West Line </div> <div style="display: flex; justify-content: space-between;"> Section 16 Township 22S Range 28E NMPM Eddy County </div>															
10. Date Spudded 7/8/03	11. Date T.D. Reached 9/27/03	12. Date Compl. (Ready to Prod.) 9/27/03													
13. Elevations (DF& RKB, RT, GR, etc.) 3,102' KB		14. Elev. Casinghead													
15. Total Depth 7,939.59'	16. Plug Back T.D. 6,000'	17. If Multiple Compl. How Many Zones? N/A													
18. Intervals Drilled By		19. Producing Interval(s) of this completion - Top, Bottom, Name 3,968-72'; 3,824-28'; 3,788-92'; 3,484-91'													
20. Was Directional Survey Made No		21. Type Electric and Other Logs Run Compensated Neutron/ GR													
22. Was Well Cored															
23. CASING RECORD (Report all strings set in well)															
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED										
20"		39'	24"												
16"	65#	450'	20"	550 sx.											
10 3/4"	40.5#	2,595'	14 3/4"	1600 sx.											
7 5/8"				100 sx. plug	7,939.59'										
5 1/2"	17#	6,035.25	9 1/2"	1625 sx.											
24. LINER RECORD			25. TUBING RECORD												
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET								
					2 3/8"	4,020'	None								
26. Perforation record (interval, size, and number) CIBP @ 4,100' 5,946-50' 4,140-45' 3,824-28' 5,779-83' 4,046-49' 3,788-92' 5,516-20' 3,968-72' 3,484-91'				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>3,824-48'</td> <td>800 gal mud acid 800# sand</td> </tr> <tr> <td>3,788-92'</td> <td>250 gal mud acid 250# sand</td> </tr> <tr> <td>3,484-91'</td> <td>500 gal mud acid 500# sand</td> </tr> </table>				DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	3,824-48'	800 gal mud acid 800# sand	3,788-92'	250 gal mud acid 250# sand	3,484-91'	500 gal mud acid 500# sand
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28. PRODUCTION															
Date First Production 9/1/03		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 8 1/2 x 10 AJAX 40 HP			Well Status (Prod. or Shut-in) Producing										
Date of Test 10/1/03	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 43	Gas - MCF TSTM	Water - Bbl. 43	Gas - Oil Ratio								
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.) 35.6									
29. Disposition of Gas (Sold, used for fuel, vented, etc.)						Test Witnessed By Charlie Williams									
30. List Attachments															
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															
Signature <i>Jennifer Schnur</i>				Printed Name Jennifer Schnur		Title Production Assistant									
E-mail Address jennifer@dineroinc.com						Date 10/27/03									