

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE  
(See other instructions  
on reverse side)

N.M. Oil & Gas Division  
811 S 15  
Albuquerque, NM 87102

APPROVED  
210-2834

OMB NO. 1004-0137

Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

|                                                                                                                                                                                                                                                 |                 |                                                                                   |                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------------------------------------------------------------------|------------------------------------|
| 1a. TYPE OF WELL<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>                                                                                  |                 | 5. LEASE DESIGNATION AND SERIAL NO.<br>NM-0467934                                 |                                    |
| b. TYPE OF COMPLETION<br>NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER <input type="checkbox"/> |                 | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                              |                                    |
| 2. NAME OF OPERATOR<br>Shahara Oil, LLC                                                                                                                                                                                                         |                 | 7. UNIT AGREEMENT NAME<br>Grayburg Jackson WFU                                    |                                    |
| 3. ADDRESS AND TELEPHONE NO.<br>207 W McKay, Carlsbad, NM 88220 505-885-5433                                                                                                                                                                    |                 | 8. FARM OR LEASE NAME, WELL NO.<br>Tract MB No. 16                                |                                    |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)<br>At surface<br>330' FSL & 430' FEL, Unit P<br>At top prod. interval reported below<br>330' FSL & 430' FEL, Unit P<br>At total depth<br>Same     |                 | 9. API WELL NO.<br>30-015-30025                                                   |                                    |
| 14. PERMIT NO.                                                                                                                                                                                                                                  |                 | DATE ISSUED                                                                       | 12. COUNTY OR PARISH<br>Eddy       |
| 15. DATE SPUNDED<br>03/24/98                                                                                                                                                                                                                    |                 | 16. DATE TD REACHED<br>04/01/98                                                   | 13. STATE<br>New Mexico            |
| 17. DATE COMP (Ready to Prod.)<br>04/12/98                                                                                                                                                                                                      |                 | 18. ELEVATION (DF, RKB, RT, GR, ETC*)<br>3569 GR                                  | 19. ELEV. CASINGHEAD               |
| 20. TOTAL DEPTH, MD & TVD<br>3704'                                                                                                                                                                                                              |                 | 21. PLUGBACK TD, MD & TVD<br>3350'                                                | 22. IF MULTIPLE COMP., HOW MANY*   |
| 23. INTERVALS DRILLED BY                                                                                                                                                                                                                        |                 | ROTARY TOOLS<br>All                                                               |                                    |
| 24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD*)<br>3243' - 3325 Grayburg Jackson Premier                                                                                                                       |                 | 25. WAS DIRECTIONAL SURVEY MADE<br>Yes                                            |                                    |
| 26. TYPE ELECTRIC AND OTHER LOGS RUN<br>GR-CNL-CDL-CAL, GR-DDL-CAL & GR-CCL-CBL                                                                                                                                                                 |                 | 27. WAS WELL CORED<br>No                                                          |                                    |
| 28. CASING RECORD (Report all strings set in well)                                                                                                                                                                                              |                 |                                                                                   |                                    |
| CASING SIZE/GRADE                                                                                                                                                                                                                               | WEIGHT LB/FT    | DEPTH SET (MD)                                                                    | HOLE SIZE                          |
| 8 5/8" K-55                                                                                                                                                                                                                                     | 24#             | 524'                                                                              | 12 1/4                             |
| 5 1/2" J-55                                                                                                                                                                                                                                     | 17#             | 3704'                                                                             | 7 1/2                              |
| 29. LINER RECORD                                                                                                                                                                                                                                |                 | 30. TUBING RECORD                                                                 |                                    |
| SIZE                                                                                                                                                                                                                                            | TOP (MD)        | BOTTOM (MD)                                                                       | SACKS CEMENT *                     |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | SCREEN (MD)                        |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | SIZE<br>2 7/8                      |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | DEPTH SET (MD)<br>3445'            |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | PACKER SET (MD)                    |
| 31. PERFORATION RECORD (Interval, size, and number)                                                                                                                                                                                             |                 | 32. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.                                   |                                    |
| 3243' - 3325' 0.42" (11 holes)                                                                                                                                                                                                                  |                 | DEPTH INTERVAL (MD)                                                               |                                    |
| 3394' - 3399' 0.42" (4 holes)                                                                                                                                                                                                                   |                 | AMOUNT AND KIND OF MATERIAL USED                                                  |                                    |
|                                                                                                                                                                                                                                                 |                 | Acidized: 2500 gal 15% NEFE w/ball sealers                                        |                                    |
|                                                                                                                                                                                                                                                 |                 | Frac: 32,620 gal & 60,000# 16/3 sand                                              |                                    |
| 33.* PRODUCTION                                                                                                                                                                                                                                 |                 |                                                                                   |                                    |
| DATE FIRST PRODUCTION<br>04/13/98                                                                                                                                                                                                               |                 | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)<br>Pumping |                                    |
| DATE OF TEST<br>04/24/98                                                                                                                                                                                                                        |                 | WELL STATUS (Producing or Shut In)<br>Producing                                   |                                    |
| HOURS TESTED<br>24 hour                                                                                                                                                                                                                         | CHOKE SIZE      | PROD'N FOR TEST PERIOD                                                            | OIL - BBL<br>28 BO                 |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | GAS - MCF<br>6 MCF                 |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | WATER - BBL<br>45 BW               |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | GAS-OIL RATIO<br>214               |
| FLOW TBG PRESS                                                                                                                                                                                                                                  | CASING PRESSURE | CALCULATED 24-HOUR RATE                                                           | OIL - BBL<br>28 BO                 |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | GAS - MCF<br>6 MCF                 |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | WATER - BBL<br>45 BW               |
|                                                                                                                                                                                                                                                 |                 |                                                                                   | OIL GRAVITY - API (CORR.)<br>36.06 |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)<br>Sold - GPM Gas Corporation                                                                                                                                                        |                 |                                                                                   |                                    |
| 35. LIST OF ATTACHMENTS<br>Open hole logs & Directional Survey                                                                                                                                                                                  |                 |                                                                                   |                                    |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records                                                                                                               |                 |                                                                                   |                                    |
| SIGNED<br>Perry E. Styles                                                                                                                                                                                                                       |                 | TITLE<br>President                                                                |                                    |
| DATE<br>05/08/98                                                                                                                                                                                                                                |                 | DATE<br>JUN 17 1998                                                               |                                    |

\*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (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):

# GEOLOGIC MARKERS

| FORMATION  | TOP  | BOTTOM | DESCRIPTION, CONTENTS, ETC.     | NAME       | TOP         |                 |
|------------|------|--------|---------------------------------|------------|-------------|-----------------|
|            |      |        |                                 |            | MEAS. DEPTH | TRUE VERT DEPTH |
| 7 Rivers   | 1800 | 2300   | Sands, Oil and Gas              | 7 Rivers   | 1790        |                 |
| Grayburg   | 2960 | 3330   | Sands cmt w/Dolomite, Oil & Gas | Queen      | 2486        |                 |
| San Andres | 3350 | 3425   | Dolomite, Oil & Gas             | Grayburg   | 2898        |                 |
|            |      |        |                                 | San Andres | 3345        |                 |