

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Oil Cons.

FORM APPROVED  
OMB NO. 1004-0137  
Expires November 30, 2000  
N.M. DIV-DIST 2  
1301 W. Grand Avenue  
Artesia, NM 88210  
USA LC 028990(a)

C/SF

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|  |  |  |  |
|--|--|--|--|
| 1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other  |  | 6. If Indian, Allottee or Tribe Name   |  |
| b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other   |  | 7. Unit or CA Agreement Name and No.   |  |
| 2. Name of Operator<br>KCS Medallion Resources, Inc.   |  | 8. Lease Name and Well No.<br>Shugart West 24 (Federal) G #2                           |  |
| 3. Address<br>7130 South Lewis, Ste. 700 Tulsa, OK 74136-5489  |  | 9. API Well No.<br>30-015-31742  |  |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)*<br>At surface 2440' FSL & 1550' FEL<br><br>At top prod. interval reported below 3108' FSL & 1778' FEL<br><br>At total depth 3110' FSL & 1780' FEL   |  | 10. Field and Pool, or Exploratory<br>Shugart Bone Spring                              |  |
| 14. Date Spudded<br>6/17/01  |  | 15. Date T.D. Reached<br>7/05/01   |  |
| 16. Date Completed<br><input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.<br>07/18/01  |  | 17. Elevations (DF, RKB, RT, GL)*<br>3631' KB, 3630' DF, 3616' GL                      |  |
| 18. Total Depth: MD 8425' TVD  |  | 19. Plug Back T.D.: MD 8380' TVD   |  |
| 20. Depth Bridge Plug Set: MD TVD  |  | 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br>CZDCNL, DLMLGRL |  |
| 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report)<br>Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit) |  |  |  |

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| 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 |
|-----------|------------|------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 17-1/2"   | 13-3/8"    | 72#        |          | 630'        |                      | 262sks "H"                   |                   | Surface     |               |
|           |            |            |          |             |                      | 200sks "C"                   |                   |             |               |
| 11"       | 8-5/8"     | 32#        |          | 2803'       |                      | 493sks "H"                   |                   |             |               |
|           |            |            |          |             |                      | 200sks "C"                   |                   | Surface     |               |
| 7-7/8"    | 5-1/2"     | 15.5/17    |          | 8425'       |                      | 345sks 50:50                 |                   | 6350'       |               |
|           |            |            |          |             |                      | 350sks 35:65                 |                   | 2300'       |               |

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" | 8140'          | 8116'             |      |                |                   |      |                |                   |

25. Producing Intervals

| Formation         | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------------|-------|--------|---------------------|------|-----------|--------------|
| A) 2nd B.S. Carb. | 8126' | 8226'  | 8194' - 8246'       | .32  | 104       | Open         |
| B)                |       |        |                     |      |           |              |
| C)                |       |        |                     |      |           |              |
| D)                |       |        |                     |      |           |              |

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

| Depth Interval | Amount and Type of Material  |
|----------------|--|
| 8194' - 8246'  | 5200gals 15% acid + A-261 corr inhibitor + non-emulsifier + iron control agents + surfactant + liquid KCL. |
|                | ACCEPTED FOR RECORD  |
|                | (ORIG. SGD.) DAVID R. GLASS  |

28. Production - Interval A

| Date First Produced | Test Date         | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
| 7/18/01             | 7/21/01           | 24           | →               | 303     | 297     | 0         |                |             | Flowing           |
| Choke Size          | Tbg. Press. Flwg. | Csg. Press.  | 24 Hr.          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio |             |                   |
| 20/64               | 300               | 0            | →               |         |         |           |                |             | Producing         |

28a. Production-Interval B

| Date First Produced | Test Date         | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
|                     |                   |              | →               |         |         |           |                |             |                   |
| Choke Size          | Tbg. Press. Flwg. | Csg. Press.  | 24 Hr.          | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status |                   |
|                     |                   |              | →               |         |         |           |                |             |                   |

## 28b. Production - Interval C

| Date First Produced | Test Date         | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity    | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. | 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    | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|----------------|-------------|-------------------|
| Choke Size          | Tbg. Press. Flwg. | 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.)

## 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 |
|           |     |        |                              | Bone Spring             | 5846'       |
|           |     |        |                              | First Bone Spring Sand  | 7600'       |
|           |     |        |                              | Second Bone Spring Carb | 7910'       |
|           |     |        |                              | Second Bone Spring Dol  | 8126'       |

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd)

2. Geologic Report

3. DST Report

4. Directional Survey

5. Sundry Notice for plugging and cement verification

6. Core Analysis

7. Other

## 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) Kaye AlleyTitle Production TechnicianSignature Date 07/26/01

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.