

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | 5. Lease Serial No. NMM 0606 | | | | | | | |
| 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 | | 6. If Indian, Allottee or Tribe Name | | | | | | | |
| 2. Name of Operator Energex Resources Corporation | | 7. Unit or CA Agreement Name and No. | | | | | | | |
| 3. Address 2198 Bloomfield Highway, Farmington, NM 87401 | | 8. Lease Name and Well No. Hart Canyon 27 2S | | | | | | | |
| 3a. Phone No. (include area code) 505.325.6800 | | 9. API Well No. 30-045-32615 | | | | | | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements) At surface 1690' FSL, 905' FEL NE/SE At top prod. interval reported below At total depth | | 10. Field and Pool, or Exploratory Basin Fruitland Coal | | | | | | | |
| 14. Date Spudded 01/17/05 | | 11. Sec., T., R., M., or Block and Survey or Area Sec. 27, T31N, R10W NMM | | | | | | | |
| 15. Date T.D. Reached 01/28/05 | | 12. County or Parish San Juan | | | | | | | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 3-31-05 | | 13. State NM | | | | | | | |
| 18. Total Depth: MD TVD 3185' | | 17. Elevations (DF, RKB, RT, GL)* 6282' GL | | | | | | | |
| 19. Plug Back T.D.: MD TVD 3161' | | 20. Depth Bridge Plug Set: MD TVD | | | | | | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Triple Litho Den./GR/SP/Caliper, Microlog/GR-CCL-CBL | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) | | | | | | | |
| 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 Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
| 12.25 | 8.625 | 24 | | 277 | | 210 | | | 248 cu.ft. - circ. |
| 7.875 | 5.50 | 15.5 | | 3183 | | 399 | | | 662 cu.ft. - CBL |
| | | | | | | | | | TOC: 3020' 1200' |
| 24. Tubing Record | | | | | | | | | |
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | |
| 2.375 | 2946' | | | | | | | | |
| 25. Producing Intervals | | | | 26. Perforation Record | | | | | |
| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status | | | |
| A) Lower Fruitland Coal | 3005 | 3014 | | 0.34 | 72 | 8 JSPF | | | |
| B) | | | | | | | | | |
| C) Upper Fruitland Coal | 2746 | 2924 | | 0.34 | 76 | 2 JSPF | | | |
| D) | | | | | | | | | |
| 27. Acid, Fracture, Treatment, Cement Squeeze, Etc. | | | | | | | | | |
| Depth Interval | | Amount and Type of Material | | | | | | | |
| 3005' - 3014' | | 70,066 gals slickwater & 5,000# 40/70 sand & 40,100# 20/40 sand | | | | | | | |
| 2746' - 2924' | | 50,788 gals slickwater & 10,000# 40/70 sand & 56,800# 20/40 sand | | | | | | | |
| 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 |
| | 03/31/05 | 2 | | | | | | | Flowing |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |
| | 300 | 600 | | | 250 | | | | ACCEPTED FOR RECORD |
| 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. SI | Csg. Press. | 24 Hr. | Oil BBL | Gas MCF | Water BBL | Gas: Oil Ratio | Well Status | |
| | | | | | | | | | |

NMOCD

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. 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 | 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.)

to be 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 |
| | | | | Ojo Alamo | 1657 |
| | | | | Kirtland Shale | 1782 |
| | | | | Fruitland | 2584 |
| | | | | Fruitland Coal | 2690 |
| | | | | Fruitland Coal Base | 3022 |
| | | | | Pictured Cliffs | 3024 |

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

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) Vicki DonagheyTitle Regulatory AnalystSignature Date 03/31/05

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.