

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED
OMB NO. 1004-0137
Expires: October 31, 2014

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

RECEIVED

15. Lease Serial No.
NMNM 112953

1a. Type of Well: Oil Well Gas Well Dry Other
 b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resrv.,
 Other: _____

2. Name of Operator
Encarna Oil & Gas (USA) Inc.

3. Address 370 17th Street, Suite 1700
Denver, CO 80202

3a. Phone No. (include area code)
720-876-3941

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface 1569' FNL and 199' FWL Section 27, T23N, R6W
 At top prod. interval reported below 968' FNL and 354' FEL Section 28, T23N, R6W
 At total depth 695' FNL and 687' FWL Section 28, T23N, R6W

6. If Indian, Allottee or Tribe Name
N/A

7. Unit or CA Agreement Name and No.
N/A

8. Lease Name and Well No.
Lybrook E27-2306 01H

9. API Well No.
30-043-21152 -0051

10. Field and Pool or Exploratory
Counselors Gallup-Dakota

11. Sec., T., R., M., on Block and
Survey or Area Section 27, T23N, R6W

12. County or Parish
Sandoval County

13. State
NM

14. Date Spudded
12/30/2013

15. Date T.D. Reached
01/09/2014

16. Date Completed 3/17/14
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
7054' RKB

18. Total Depth: MD 10455'
TVD 5588'

19. Plug Back T.D.: MD
TVD

20. Depth Bridge Plug Set: MD 5197'
TVD 5197'

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
NONE

22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit report)
 Directional Survey? No 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"	9.625"/J55	36	Surface	527'	N/A	190sks Type III	47	Surface (CIR)	N/A
8.75"	7"/J55	26	Surface	5816'	2027' TVD/MD	331sks Prem Lt	126	Surface (CIR)	N/A
"	"	"	"	"	"	261sks Type III	64	"	"
6.125"	4.5"/SB80	11.6	5602'	10453'	N/A	N/A	N/A	N/A	N/A

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 / J55	5824'	Seat Nipple 5528						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Gallup	6160.13'	10,455.00'	6253'-10382'	.04"	432	
B)						
C)						
D)						

26. Perforation Record

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

Depth Interval	Amount and Type of Material
10,882' - 6,253'	Please see frac fluid supplied on completion sundry

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
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

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. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

ACCEPTED FOR RECORD

MAR 17 2014

*(See instructions and spaces for additional data on page 2)

NWOCDA

FARMINGTON FIELD OFFICE
BY: William Tambekou

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. Rate	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. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			➔						

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

Flared

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
San Jose Nacimiento Fn.	surface 417'	417' 1449'		San Jose Nacimiento Fn.	surface 417'
Ojo Alamo Kirtland Shale	1449' 1588'	1588' 1758'		Ojo Alamo Kirtland Shale	1449' 1588'
Fruitland Coal Pictured Cliffs	1758' 2021'	2021' 2127'	Water, Gas Oil, Gas	Fruitland Coal Pictured Cliffs	1758' 2021'
Lewis Shale Cliffhouse Sandstone	2127' 2842'	2842' 3550'	Oil, Gas	Lewis Shale Cliffhouse Sandstone	2127' 2842'
Menefee Point Lookout	3550' 4281'	4281' 4478'	Oil, Gas Oil, Gas	Menefee Point Lookout	3550' 4281'
Mancos Shale Mancos Silt	4478' 5071'	5071' 5336'	Oil, Gas Oil, Gas	Mancos Shale Mancos Silt	4478' 5071'
Gallup Base Gallup	5336' 5638'	5638'	Oil, Gas Oil, Gas	Gallup Base Gallup	5336' 5638'

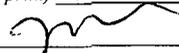
32. Additional remarks (include plugging procedure):

Set 13 external swellable casing packers for isolation of production string at the following depths: (1) 10149' (2) 9849' (3) 9504' (4) 9160' (5) 8815' (6) 8475' (7) 8173' (8) 7830' (9) 7485' (10) 7141' (11) 6798' (12) 6497' (13) 6160'.

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) Vy Nguyen Title Engineering Technologist
 Signature  Date 03/11/2014

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.