Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French, Hobbs, NM 88240 District II

E-mail address

REGULATORY@XTOENERGY.COM

State of New Mexico Energy, Minerals and Natural Resources Form C-105
Revised June 10, 2003

WELL API NO. 30-045-26248

OIL CONSERVATION DIVISION 5. Indicate Type Of Lease 1301 W. Grand Avenue, Artesia, NM 88210 1220 South St. Francis Dr. STATE X FEE District III Santa Fe, NM 87505 1000 Rio Brazos Rd., Aztec, NM 87410 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL COMPLETION OR RECOMPLETION REPORT AND LOG la. Type of Well: 7. Lease Name or Unit Agreement Name OIL WELL GAS WELL DRY 🔲 OTHER. STATE GAS COM BR b. Type of Completion: NEW WORK DEEPEN 8. Well No. 2. Name of Operator مريخ XIO Energy Inc. 1E 9. Pool name or Wildcat 3. Address of Operator 2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 4. Well Location Unit Letter A : 810 Feet From The NORTH 800 __ Line and __ Feet From The Section 2 Township 29N Range 10W **NMPM** SAN JUAN 10. Date Spudded 11. Date T.D. Reached 12. Date Compl. (Ready to Prod.) 13. Elevations (DF & RKB, RT, GR, etc.) 14. Elev. Casinghead 09/22/54 6008' GR 9/30/85 10/08/85 6023' KB 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By 15. Total Depth 16. Plug Back T.D. Rotary Tools Cable Tools 7124' 7115' 0-TD 20. Was Directional Survey Made 19. Producing Interval(s), of this completion - Top, Bottom, Name 4244' - 4710' PL/MESAVERDE & 4753' - 4948' MENEFEE/MV 22. Was Well Cored 21. Type Electric and Other Logs Run GR/CCL/CBL/CNL CASING RECORD (Report all strings set in well) **CASING SIZE** WEIGHT LB./FT. **DEPTH SET** HOLE SIZE CEMENTING RECORD AMOUNT PULLED 310' 12-1/4" 307 SX 9-5/8" 36# J-55 7" 20# J-55 29301 8-3/4" 490 SX 7124 6-1/4" 4-1/2" 11.6# J-55 532 SX 24. **TUBING RECORD** LINER RECORD SIZE TOP BOTTOM SACKS CEMENT | SCREEN SIZE **DEPTH SET** PACKER SET 2-3/8" 7070' 26. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQEEZE, ETC. **DEPTH INTERVAL** AMOUNT AND KIND MATERIAL USED 4753' - 4948' (0.34" DIA, 24 HOLES) 4753' - 4948' A. w/1250 gals 15% NEFE HCl acid. 4244' - 4710' (0.34" DIA, 25 HOLES) Frac'd w/26,232 gal 70Q foamed, 15# linear gelled, 2% KCl wtr carryi ng 118,000# 20/40 sd. (Con't back) **PRODUCTION** 28 Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) SHUT IN Date of Test Hours Tested Choke Size Prod'n For Oil - Bbl. Gas - MCF Water - Bbl. Gas - Oil Ratio Test Period 5/4/06 4 HRS 3/8" 1416 Calculated 24-Hour Rate Water - Bbl. Flow Tubing Casing Pressure Oil - Bbl. Gas - MCF Oil Gravity - API - (Corr.) Press. 400 PSIG 3600 PSIG 8496 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By TO BE SOLD 30. List Attachments 31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief Printed Signature LORRI D. BINGHAM Title REGULATORY COMP TECHDate 5/5/06 Name

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southea	stern New Mexico	Northeastern	Northeastern New Mexico		
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"		
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"		
B. Salt	T, Atoka	T. Pictured Cliffs	T. Penn, "D"		
T. Yates	T, Miss	T. Cliff House	T. Leadville		
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison		
T. Oueen	T. Silurian	T. Point Lookout	T. Elbert		
T. Grayburg	T. Montoya	T. Mancos	T. McCracken		
T. San Andres	T. Simpson	T. Gallup 6000	T. Ignacio Otzte		
T. Glorieta	T. McKee	Base Greenhorn 6794	T. Granite		
T. Paddock	T. Ellenburger	T. Dakota 6850	' T.		
T. Blinebry	T. Gr. Wash	T. Morrison	T		
T. Tubb	T. Delaware Sand	T. Todilto	Т.		
T. Drinkard	T. Bone Springs	T. Entrada	Т.		
T. Abo	T.	T. Wingate	T.		
T. Wolfcamp		T. Chinle	T.		
T. Penn	T.	T. Permain	T.		
T. Cisco (Bough C)	T.	T. Penn "A"	T.		
1. Clote (Bough C)		1 * * * * * * * * * * * * * * * * * * *	OIL OP GA		

		SANDS OR ZONES
No. 1, fromto	No. 3, from	to
No. 2, fromto	No. 4, from	to
Include data on rate of water inflow and elevation to which water ro		
No. 1, fromto	feet	
No. 2, fromto	feet	
No. 3. fromto	feet	

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
			4244' - 4710' A. w/1,250 gals 15% NEFE HCl acid. Frac'd w/29,789 gal 70Q foamd 15# linear gelled, 2% KCl wtr carrying 118,900# 20/40 sd.			in rect	