

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	<div style="text-align: right;">Form C-105</div> <div style="text-align: right;">Revised June 10, 2003</div> WELL API NO. 30-045-33299 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____ 2. Name of Operator McElvain Oil & Gas Properties, Inc. 3. Address of Operator 1050 17 th Street, Suite 1800, Denver, CO 80265 4. Well Location Unit Letter M _____ : 1095 Feet From The South _____ Line and 800 Feet From The West _____ Line Section 8 Township 30N Range 11W NMPM San Juan County	7. Lease Name or Unit Agreement Name Sadie 8. Well No. 02 9. Pool name or Wildcat Basin Fruitland Coal
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10. Date Spudded 4/13/06	11. Date T.D. Reached 04/20/06	12. Date Compl. (Ready to Prod.) 06/27/06	13. Elevations (DF& RKB, RT, GR, etc.) 5597' GR	14. Elev. Casinghead 5603' KB
15. Total Depth 2142'	16. Plug Back T.D. 2072'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By	19. Producing Interval(s), of this completion - Top, Bottom, Name 1636' - 1971' Fruitland Coal
			Rotary Tools All	20. Was Directional Survey Made No
			Cable Tools	21. Type Electric and Other Logs Run Induction/GR/SDL/DSN
			22. Was Well Cored No	

23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	229'	12 1/4"	160 sxs/ to surface	
5 1/2"	15.5#	2132'	7 7/8"	150 sxs / 190' top	

24. LINER RECORD				25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2 3/8"	2023'

26. Perforation record (interval, size, and number) 1939-1960, 1910-1912, 1904-1906 .42" 100	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:50%;">DEPTH INTERVAL</th> <th style="width:50%;">AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>1904-1960</td> <td>1500 Gal 15% HCl, 68,568 Gal gel & 87,000 # 16/30 sand</td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	1904-1960	1500 Gal 15% HCl, 68,568 Gal gel & 87,000 # 16/30 sand				
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28. PRODUCTION							
Date First Production TBD		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping			Well Status (Prod. or Shut-in) Shut-in WOPL		
Date of Test TBD	Hours Tested 8 hrs	Choke Size 2"	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 0	Water - Bbl. 20	Gas - Oil Ratio
Flow Tubing Press. 0	Casing Pressure 105	Calculated 24-Hour Rate	Oil - Bbl. 0	Gas - MCF 0	Water - Bbl. 60	Oil Gravity - API - (Corr.)	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold						Test Witnessed By	
30. List Attachments Deviation Survey							

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature	Printed Name John D Steuble	Title Vice President Engineering	Date 7/19/2006
E-mail Address JohnS@McElvain.com			

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

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo 557'	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland 624'	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 1972'	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology

From	To	Thickness In Feet	Lithology