

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 Other						5. Lease Serial No. NMSF-079483			
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				3a. Phone No. (include area code) 505-325-6800		8. Lease Name and Well No. Carson #207S			
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1085' FNL, 1585' FWL NE/NW At top prod. interval reported below 1798' FNL, 1414' FWL At total depth 3187' FNL, 1086' FWL						9. API Well No. 30-039-27580			
14. Date Spudded 07/12/06		15. Date T.D. Reached 08/10/06		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 08/10/06		10. Field and Pool, or Exploratory Basin Fruitland Coal			
18. Total Depth: MD 5874 5875' TVD 4021 4038'		19. Plug Back T.D.: MD 5874 5875' TVD 4021 4038'		20. Depth Bridge Plug Set: MD TVD		11. Sec., T., R., M., or Block and Survey or Area C - Sec.08, T30N, R04W - NMEM			
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) none						12. County or Parish Rio Arriba			
						13. State NM			
						17. Elevations (DF, RKB, RT, GL)* 7294' GL			
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 type="checkbox"/> No <input checked="" 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"	9.625"	32.3#	H-40	224'		145 sks		171 cu.ft.	circulated
8.75"	7"	23#	J-55	4382'		725 sks		1331 cu.ft.	circulated
6.25"	4.50"	11.6#	4351'	5871'		none			
			J-55						
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	4386'								
25. Producing Intervals					26. Perforation Record				
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Fruitland Coal	4020'	4038'	4020' - 4038' TVD	0.50	5064	6 JSPF			
B)	TVD	TVD	4446' - 5875' MD						
C)									
D)									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval		Amount and Type of Material							
		none							
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
	08/27/06	3	→						Flowing
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. 200	24 Hr. →	Oil BBL	Gas MCF 250	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	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	

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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
			TVD	San Jose	
				Nacimiento	2119'
				Ojo Alamo	3419'
				Kirtland Shale	3619'
				Fruitland	3889'
				Fruitland Coal Top	4029'
				Fruitland Coal Base	not penetrated
				Pictured Cliffs	not penetrated

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 Donaghey

Title Regulatory Analyst

Signature Vicki Donaghey

Date 08/30/06

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.