



PO Box 10451
Midland, TX 79702
432.687.1994 Voice
432.687.0066 Fax

INVOICE

Invoice Number: 10288
Invoice Date: Feb 5, 2008

Bill To:
Louray Oil Co., LLC PO Box 2081 Lovington, NM 88260

Well/Lease Name and Number:
Job 02-012-08 Government "E" #1 Lea County, NM

Customer PO

*NM no regulatory
required.*

Quantity	Item	Description	Unit Price	Amount
		To invoice cementing services rendered on the Government "E" #1 well in Lea County, NM.		
1.00		cement pump truck	2,400.00	2,400.00
1.00		cement crew	500.00	500.00
260.00		class C cement	14.00	3,640.00
500.00		blended cement	15.00	7,500.00
500.00		blending charge	2.00	1,000.00
240.00		pump truck mileage	3.50	840.00
400.00		bulk truck mileage	3.50	1,400.00
240.00		bulk truck mileage NO CHARGE		
240.00		pickup mileage	1.00	240.00
Subtotal				17,520.00
Sales Tax				
Total Invoice Amount				17,520.00
Payment/Credit Applied				
TOTAL				17,520.00

TERMS & CONDITIONS: This sale is made subject to the following terms & conditions: TERM - payable upon receipt - 1. All bills and accounts are payable at our home office in Midland County, Texas. 2. All claims for credit must be made within (30) days from day of sale. 3. Late payment charges of 1-1/2% per month (annual of 18%) will be assessed on all invoices unpaid after 30 days from date of invoice.

Oil Conservation Commission
Case No. 17
Exhibit No. Agua



P.O. BOX 10451
MIDLAND, TEXAS 79702
(432) 687-1994
FAX (432) 687-0066

OILWELL CEMENTING & WIRELINE SERVICES - PLUGGING & ABANDONMENT

DAILY ACTIVITY & FIELD TICKET

DATE 2-5-08 JOB# 02-012-080 CUSTOMER Conroy
DAY Tuesday RIG# MES-01 ADDRESS P.O. Box 2081
WELL OR LEASE Government E #1 Edlington, NM 88260
COUNTY Lea Co. N.M. Perfs/HIC 4167 To 5332 (SOZ) CSG P&A PLUGBACK
TUBING DP 2 7/8 CASING SIZE 5 1/2 + 8 7/8 HOLE SIZE NM MAX PRESSURE: 1500
PACER SETTING 4167 BP SETTING 5332 PLUG DOWN 6:46 am MAX RATE: 5 BPM
SLURRY VOLUME 167.4/61.1 TYPE Class C neat at 132 cu/ft. 6.36 PS, 14.2 PPH
Class C w/ 6% Gel at 1.88 10.2 GPH 13.8

ACTIVITY OR DESCRIPTION OF SERVICES: Card out in Yard Drive to location
M.D. Rill. Put 500 cu on 5 1/2 CS, Rk to 8 7/8 Est.
Rate Between 8 7/8 + 5 1/2 CSs. at 4 BPM. at 600 cu.
Pump 20 BBL Lead off w/ 260 cu of Class C neat Tailed
By 500 cu of Class C. w/ 6% Gel pumped 129 BBL of Slurry
String out of CR. Finish pumping Cement shut in
w/ 600 cu. Washup R.D. M.D.

SERVICE SUPERVISOR: Charles Barron HOURS: _____ ARRIVE YARD: _____
EQUIPMENT OPERATOR: Jimmy Harwell ARRIVE LOCATION: 4:30 PM
EQUIPMENT OPERATOR: Cuberto London LEAVE LOCATION: _____
HELPER: Hernan Morales LEAVE YARD: _____

Description of Service / Material	Quantity	Unit Price	Discount	Amount
Cement Pump Trk	1	2,400.00		2,400.00
Cement Crew	1	500.00		500.00
Class C Cement	260	14.00		3,640.00
Blended Cement	500	15.00		7,500.00
Blending Charge	500	2.00		1,000.00
Pump Trk mileage	240	3.50		840.00
Bulk Trk mileage	240 400	3.50		1,400.00
Bulk Tank mileage	240	3.50		N/C
Pickup mileage	240	1.00		240.00

Page# 1 of 1

Supervisor: [Signature]
Title: N Representative

VEHICLE# 24 MILEAGE 240
5 1
114 1
56

Total Amount: 17,520.00

Approved: [Signature]
Company Representative

Name: Louis C. Edwards

Phone #: 505-631-3341

10088



OILWELL CEMENTING SERVICES - PLUGGING & ABANDONMENT

Subject _____

(432) 687-1994
FAX (432) 687-0066
triplenservices.com

Date 02/06/03

GARY WINK -

Attached is Kelly sheet of wellbore diagram - Lou's
had heard when setting up this job. Also attached is
an e-mail report from the job not right.

Shame on me for not double checking on this one. Sorry,
won't make that mistake again!

Ji

OPERATION Armstrong Energy Corp.		DATE 2-7-94
LEASE Government 'E'	WELL NO. 1	LOCATION 1880'FW & 610' FSL Sec 25,T19S,R34E Lea County, NM

Schematic of Present Condition of Proposed Disposal Well Tabular Data

Surface Casing

Size 11 3/4" set @ 400' Cemented with 450 ex.
 TOC surface feet determined by circ.
 Hole size 15"

RETAINER SET AT 4167.78

PLUG SET AT 5332.49

~ TOC 2,200' by T.S.

Intermediate Casing

Size 8 5/8" set @ 4089' Cemented with 775 ex.
 TOC NR feet Hole size 11"

TOC (5 1/2"): 7700' by T.S.

BS perfs: 9716-20'

PBTD: 10,277'

Long string

Size 5 1/2" Cemented with 500 ex.
 TOC 7700 feet Hole size 7 7/8"

WATSON PACKER

Date: January 30, 2008

Company: Louray Oil Co.

Lease & Wells: Government E #1

Tubing Size: 2 7/8
Connection: EUE EndWeight: 6.5
UpsetKB Correction: 10.00
Grade: J-55Total Joints: 276
Pipe Displacement / bbls: 20.94

In	Out	In	Out	In	Out	In	Out	In	Out		
1	275 29.42	48.52	51	225 29.97	1,588.77	101	175 30.94	3,189.44	151	125 31.42	4,762.96
2	274 30.30	78.82	52	224 31.25	1,620.02	102	174 32.70	3,222.14	152	124 32.70	4,795.68
3	273 31.45	110.27	53	223 30.33	1,650.35	103	173 30.20	3,252.34	153	123 31.35	4,827.01
4	272 30.95	141.22	54	222 31.18	1,681.53	104	172 28.00	3,281.34	154	122 32.78	4,859.77
5	271 31.15	172.37	55	221 30.95	1,712.48	105	171 31.40	3,312.74	155	121 31.30	4,891.07
6	270 31.32	203.69	56	220 32.67	1,745.15	106	170 31.20	3,343.94	156	120 30.15	4,921.22
7	269 30.93	234.62	57	219 31.82	1,776.97	107	169 32.70	3,376.64	157	119 32.70	4,953.92
8	268 31.25	265.87	58	218 30.83	1,807.80	108	168 32.75	3,409.39	158	118 32.68	4,986.60
9	267 30.58	296.43	59	217 32.66	1,840.48	109	167 31.46	3,440.85	159	117 31.25	5,017.85
10	266 31.32	327.75	60	216 32.67	1,873.13	110	166 30.60	3,471.45	160	116 30.80	5,048.65
11	265 30.03	357.78	61	215 32.63	1,905.78	111	165 32.75	3,504.20	161	115 32.70	5,081.35
12	264 31.26	389.04	62	214 31.30	1,937.06	112	164 31.27	3,535.47	162	114 31.33	5,112.68
13	263 31.31	420.35	63	213 32.76	1,969.82	113	163 30.73	3,566.20	163	113 32.20	5,144.88
14	262 30.03	450.38	64	212 32.72	2,002.54	114	162 30.33	3,596.53	164	112 32.70	5,177.58
15	261 30.82	481.00	65	211 32.77	2,035.31	115	161 32.70	3,629.23	165	111 31.15	5,208.73
16	260 30.70	511.70	66	210 31.18	2,066.49	116	160 30.80	3,660.03	166	110 30.95	5,239.88
17	259 31.22	542.92	67	209 31.22	2,097.71	117	159 32.70	3,692.73	167	109 30.26	5,269.94
18	258 31.21	574.13	68	208 32.70	2,130.41	118	158 31.10	3,723.83	168	108 31.30	5,301.24
19	257 31.25	605.38	69	207 32.63	2,163.04	119	157 31.60	3,755.43	169	107 31.25	5,332.49
20	256 30.38	636.77	70	206 32.71	2,195.75	120	156 30.25	3,785.88	170	106 32.70	5,365.19
21	255 29.20	668.07	71	205 30.78	2,226.53	121	155 30.15	3,815.83	171	105 32.77	5,397.96
22	254 32.70	697.87	72	204 32.70	2,259.23	122	154 32.70	3,848.53	172	104 32.75	5,430.71
23	253 31.15	728.82	73	203 32.75	2,291.98	123	153 32.45	3,880.98	173	103 31.22	5,461.93
24	252 29.04	757.88	74	202 30.78	2,322.76	124	152 32.65	3,913.63	174	102 32.70	5,494.83
25	251 30.49	788.35	75	201 32.88	2,355.42	125	151 32.60	3,946.23	175	101 31.60	5,526.23
26	250 30.29	818.64	76	200 32.70	2,388.12	126	150 32.75	3,978.98	176	100 32.60	5,558.83
27	249 30.84	849.48	77	199 32.70	2,420.82	127	149 30.80	4,009.58	177	99 31.70	5,589.53
28	248 31.25	880.73	78	198 30.58	2,451.40	128	148 29.10	4,038.68	178	98 32.70	5,623.23
29	247 31.20	911.93	79	197 32.65	2,484.05	129	147 32.70	4,071.38	179	97 32.70	5,655.93
30	246 31.29	943.22	80	196 30.48	2,514.53	130	146 32.45	4,103.83	180	96 32.73	5,688.66
31	245 30.07	973.29	81	195 32.71	2,547.24	131	145 32.70	4,136.53	181	95 32.70	5,721.38
32	244 31.28	1,004.57	82	194 32.75	2,579.99	132	144 31.25	4,167.78	182	94 32.70	5,754.06
33	243 30.88	1,035.25	83	193 32.66	2,612.65	133	143 31.25	4,199.03	183	93 32.66	5,786.72
34	242 31.40	1,066.65	84	192 32.70	2,645.35	134	142 31.25	4,230.28	184	92 32.72	5,819.44
35	241 31.30	1,097.95	85	191 32.70	2,678.05	135	141 31.42	4,261.70	185	91 32.70	5,852.14
36	240 31.55	1,129.50	86	190 32.72	2,710.77	136	140 31.25	4,292.95	186	90 32.75	5,884.89
37	239 30.83	1,160.33	87	189 31.00	2,741.77	137	139 31.88	4,324.63	187	89 32.70	5,917.59
38	238 32.68	1,193.01	88	188 32.70	2,774.47	138	138 31.50	4,356.13	188	88 32.70	5,950.29
39	237 28.36	1,221.37	89	187 31.50	2,805.97	139	137 32.65	4,388.78	189	87 32.80	5,982.89
40	236 29.46	1,250.83	90	186 32.70	2,838.87	140	136 31.30	4,420.08	190	86 32.65	6,015.54
41	235 31.15	1,281.98	91	185 32.55	2,871.22	141	135 30.84	4,450.92	191	85 31.55	6,047.09
42	234 30.41	1,312.39	92	184 32.16	2,903.38	142	134 31.40	4,482.32	192	84 32.70	6,079.79
43	233 32.66	1,345.05	93	183 30.90	2,934.28	143	133 30.05	4,512.37	193	83 32.70	6,112.49
44	232 31.28	1,376.33	94	182 30.24	2,964.52	144	132 30.45	4,542.82	194	82 32.65	6,145.14
45	231 30.79	1,407.12	95	181 32.70	2,997.22	145	131 30.09	4,572.91	195	81 32.70	6,177.84
46	230 30.83	1,437.95	96	180 32.65	3,029.87	146	130 31.26	4,604.17	196	80 31.30	6,209.14
47	229 30.29	1,468.24	97	179 32.65	3,062.52	147	129 32.85	4,636.82	197	79 32.70	6,241.84
48	228 30.37	1,498.61	98	178 30.63	3,093.15	148	128 31.25	4,668.07	198	78 32.65	6,274.49
49	227 28.90	1,527.51	99	177 32.70	3,125.85	149	127 30.72	4,698.79	199	77 32.70	6,307.19
50	226 31.29	1,558.80	100	176 32.65	3,158.50	150	126 32.75	4,731.54	200	76 32.65	6,339.84
1539.70			1599.70			1573.04			1608.30		
Down Hole Tool Assembly				Total Stands				Tubing Weight			
SN				Total Joints				Average Joint			
Crest Pin & RI				Total Footage Page 1				Average Stand			
				Total Footage Page 2				Total Montage			
				Total Footage Page 3				Total Tools			
				Total Footage Page 4				KB Correction			
Total Tools				Total Footage				Total Tools KB & 11kg			
9.10				8,779.77				8,798.87			

Prepared By: Boris E. Juarez Jr. (505) 631-6882

Company: Louray Oil Co.Lease & Well#: Government E #1

Tubing Size:		Weight:		KB Correction:		Total Joints:	
2 7/8		8.5		10.00		276	
Connection:		Upset		Grade:		Pipe Displacement / bbls:	
EUE Bnd				J-55		20.94	
In	Out	In	Out	In	Out	In	Out
201	75 32.70 6,372.54	251	25 32.70 7,988.12	301	25 -	351	75 -
202	74 32.70 6,405.24	252	24 32.75 8,020.87	302	26 -	352	76 -
203	73 30.90 6,438.14	253	23 32.70 8,053.57	303	27 -	353	77 -
204	72 32.70 6,468.84	254	22 32.65 8,086.22	304	28 -	354	78 -
205	71 32.72 6,501.56	255	21 31.15 8,117.37	305	29 -	355	79 -
206	70 32.67 6,534.23	256	20 32.70 8,150.07	306	30 -	356	80 -
207	69 32.65 6,566.88	257	19 32.70 8,182.77	307	31 -	357	81 -
208	68 32.75 6,599.63	258	18 31.70 8,214.47	308	32 -	358	82 -
209	67 32.65 6,632.28	259	17 32.75 8,247.22	309	33 -	359	83 -
210	66 32.70 6,664.98	260	16 32.70 8,279.92	310	34 -	360	84 -
211	65 32.50 6,697.48	261	15 32.70 8,312.62	311	35 -	361	85 -
212	64 32.65 6,730.13	262	14 32.75 8,345.37	312	36 -	362	86 -
213	63 29.80 6,759.93	263	13 32.75 8,378.12	313	37 -	363	87 -
214	62 32.70 6,792.63	264	12 32.70 8,410.82	314	38 -	364	88 -
215	61 30.65 6,823.28	265	11 32.65 8,443.47	315	39 -	365	89 -
216	60 32.60 6,855.88	266	10 32.65 8,476.12	316	40 -	366	90 -
217	59 32.70 6,888.58	267	9 32.75 8,508.87	317	41 -	367	91 -
218	58 32.70 6,921.28	268	8 32.70 8,541.57	318	42 -	368	92 -
219	57 32.75 6,954.03	269	7 31.40 8,572.97	319	43 -	369	93 -
220	56 32.70 6,986.73	270	6 32.70 8,605.67	320	44 -	370	94 -
221	55 32.70 7,019.43	271	5 32.70 8,638.37	321	45 -	371	95 -
222	54 32.65 7,052.08	272	4 32.75 8,671.12	322	46 -	372	96 -
223	53 32.70 7,084.78	273	3 31.80 8,702.92	323	47 -	373	97 -
224	52 32.72 7,117.50	274	2 30.50 8,733.42	324	48 -	374	98 -
225	51 31.80 7,149.30	275	1 32.70 8,766.12	325	49 -	375	99 -
226	50 32.75 7,182.05	276	32.75 8,798.87	326	50 -	376	100 -
227	49 32.75 7,214.80	277	1 -	327	51 -	377	101 -
228	48 32.70 7,247.50	278	2 -	328	52 -	378	102 -
229	47 32.70 7,280.20	279	3 -	329	53 -	379	103 -
230	46 32.70 7,312.90	280	4 -	330	54 -	380	104 -
231	45 32.80 7,345.70	281	5 -	331	55 -	381	105 -
232	44 32.72 7,378.42	282	6 -	332	56 -	382	106 -
233	43 32.75 7,411.17	283	7 -	333	57 -	383	107 -
234	42 32.65 7,443.82	284	8 -	334	58 -	384	108 -
235	41 32.70 7,476.52	285	9 -	335	59 -	385	109 -
236	40 30.80 7,507.32	286	10 -	336	60 -	386	110 -
237	39 32.70 7,540.02	287	11 -	337	61 -	387	111 -
238	38 30.35 7,570.37	288	12 -	338	62 -	388	112 -
239	37 32.70 7,603.07	289	13 -	339	63 -	389	113 -
240	36 32.70 7,635.77	290	14 -	340	64 -	390	114 -
241	35 30.05 7,665.82	291	15 -	341	65 -	391	115 -
242	34 30.85 7,696.87	292	16 -	342	66 -	392	116 -
243	33 32.65 7,729.32	293	17 -	343	67 -	393	117 -
244	32 32.60 7,761.92	294	18 -	344	68 -	394	118 -
245	31 31.40 7,793.32	295	19 -	345	69 -	395	119 -
246	30 32.70 7,826.02	296	20 -	346	70 -	396	120 -
247	29 31.25 7,857.27	297	21 -	347	71 -	397	121 -
248	28 32.70 7,888.97	298	22 -	348	72 -	398	122 -
249	27 32.75 7,922.72	299	23 -	349	73 -	399	123 -
250	26 32.70 7,955.42	300	24 -	350	74 -	400	124 -
1615.58		843.45					
Down hole Tool Assembly		Total Strands		138.0		Tubing Weight	
SN		Total Joints		276		Average Joint	
Crest Pin & Pin		Total Footage Page 1		6,320.74		Average Stand	
		Total Footage Page 2		2,459.03		Total Footage	
		Total Footage Page 3				Total Tools	
		Total Footage Page 4				KB Correction	
Total Tools		Total Footage		8,779.77		Total Tools KB & Tbg.	
9.10						8,798.87	

Prepared By: Rene E. Juarez Jr. (505) 631-6882



OILWELL CEMENTING SERVICES - PLUGGING & ABANDONMENT

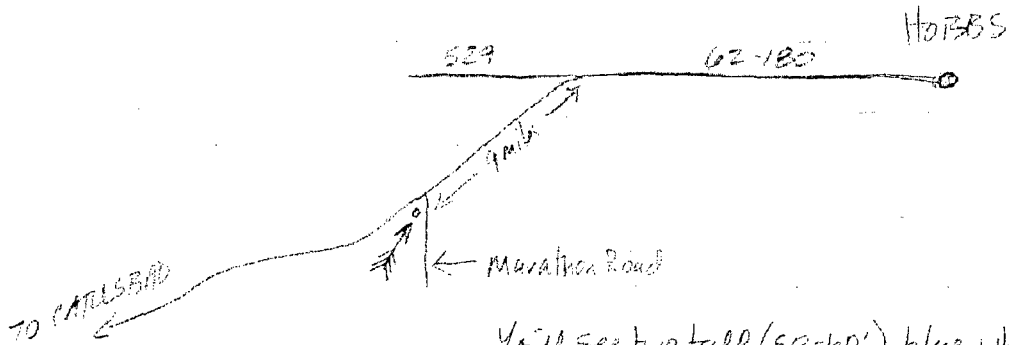
Subject Louray Oil Co.
Government #1

(432) 687-1994
FAX (432) 687-0066
triplenservices.com

Date 02/05/05

Louis Edgett @ 575-631-3387 or 575-631-3341

READY TO PUMP 3:00 PM time



You'll see two tall (50-60') blue, white, & black tanks on Marathon Road (can see tanks from 62-180). Rig is opposite tanks.



Triple N Services, Inc. Surface Casing Cement Bid Worksheet

INPUT IN BLUE CELLS ONLY

Well Data Section

Contact:	Louis Edgett	Date:	5-Feb-2008
Company & well:	Louray Oil Company	By:	Jim Newman
casing size	5.500 inches	excess (washout)	30.7 %
hole size	8.000 inches	% csg string in C neat:	26.75 %
casing weight	15.50 lbs per foot	% CaCl in neat slurry:	0 %
depth of csg shoe	5,332 feet	% CaCl in lead slurry:	0 %
depth to bump collar/shoe	5,332 feet	yield on lead cement:	1.88 Cu ft/sk
		cellophane in lead, #/sk:	0

Calculations Section

annular volume	0.1841 cu. ft per foot	min. neat requirement	1,426 feet
calculated annular vol, total	982 cu. ft.	calc annular vol w/ excess	1,283 cu.ft.
capacity of casing	0.0248 bbl per foot	sx neat cement	260 sx
calculated hole volume	982 cu. ft.	sx lead cement	500 sx
slurry volume w/ excess	228 bbls	dry blended gel requirement	1,879 lbs
displacement to bump	132.1 bbls	CaCl required in neat slurry	- lbs
mix water requirement	161.6 bbls	CaCl required in the slurry	- lbs
total water requirement	294 bbls	total CaCl requirement	- lbs

Pricing Section

Cementing Services	unit	rate	sub-total
cement pump	1 day	\$2,400.00	2,400.00
class C cement, neat	260 sx	14.00	3,639.53
calcium chloride	- lbs	1.00	-
standby	- hrs	250.00	-
cellophane	- lbs	4.00	-
blended cement	500 sx	15.00	7,497.37
blending charge	500 sx	2.00	999.65
pump truck mileage	240 miles	3.50	840.00
bulk truck mileage	400 miles	3.50	1,400.00
pickup mileage	240 miles	1.00	240.00
cementing crew	1.0 day	500.00	500.00
list total cementing:			17,516.55
discount rate:	0 %		-
TOTAL CEMENTING SERVICES:			\$ 17,516.55

Float Equipment:	5.500		
cementing head w/ plug	- each	\$ 300.00	-
float shoe	- each	550.00	-
guide shoe	- each	242.00	-
Texas Pattern guide shoe	- each	201.00	-
float collar	- each	332.00	-
insert float valve	- each	176.00	-
centralizers	- each	60.00	-
cement basket	- each	201.00	-
stop ring	- each	45.00	-
thread lock	- each	15.00	-
list total float equipment:			-
discount rate:	0 %		-
TOTAL OTHER SERVICES:			\$ -
TOTAL BID:			\$ 17,516.55

Class "C" Slurry Properties

Triple N Services, Inc.
432.687.1994 fax 432.687.0066



Prepared for:

Louis Edgett
Louray Oil Company

Date: 5-Feb-08
By: Jim Newman
jim@triplenservices.com

Class C cement, neat

		Estimated Thickening Times:		casing	squeeze
		2,000 ft	4,000 ft	6,000 ft	
Mix water requirement:	6.3 gal/sk	2,000 ft	4,000 ft	6,000 ft	
Slurry Weight:	14.8 #/gal	2,000 ft	4,000 ft	6,000 ft	
Slurry Volume (yield):	1.32 ft ³ /sk	2,000 ft	4,000 ft	6,000 ft	
Compressive Strengths, psi:					
		80	95	110	140 ° F
12 hrs		275	820	2,020	2,390
24 hrs		1,830	2,225	3,015	3,475
48 hrs		3,060	3,415	3,560	3,800

Class C cement, w/ 2% CaCl₂

		Estimated Thickening Times:		casing	squeeze
		2,000 ft	4,000 ft	6,000 ft	
Mix water requirement:	6.3 gal/sk	2,000 ft	4,000 ft	6,000 ft	
Slurry Weight:	14.8 #/gal	2,000 ft	4,000 ft	6,000 ft	
Slurry Volume (yield):	1.32 ft ³ /sk	2,000 ft	4,000 ft	6,000 ft	
Compressive Strengths, psi:					
		80	95	110	140 ° F
12 hrs		795	1,350	2,740	-
24 hrs		2,275	2,480	3,240	-
48 hrs		3,540	3,900	4,075	-

Class C cement w/ 4% bentonite gel & 2% CaCl₂

		Estimated Thickening Time:			
		2,000 ft	4,000 ft	6,000 ft	
Mix water requirement:	8.9 gal/sk	2,000 ft	4,000 ft	6,000 ft	
Slurry Weight:	13.5 #/gal	2,000 ft	4,000 ft	6,000 ft	
Slurry Volume (yield):	1.69 ft ³ /sk	2,000 ft	4,000 ft	6,000 ft	
Compressive Strengths, psi:					
		80	95	110	140 ° F
12 hrs		920	980	1,200	-
24 hrs		1,300	1,400	1,800	-
72 hrs		2,400	2,700	3,400	-

Class C cement w/ 6% bentonite gel

		Estimated Thickening Times:		casing	squeeze
		2,000 ft	4,000 ft	6,000 ft	
Mix water requirement:	10.2 gal/sk	2,000 ft	4,000 ft	6,000 ft	
Slurry Weight:	13.1 #/gal	2,000 ft	4,000 ft	6,000 ft	
Slurry Volume (yield):	1.89 ft ³ /sk	2,000 ft	4,000 ft	6,000 ft	
Compressive Strengths, psi:					
		80	95	110	140 ° F
12 hrs		370	460	690	-
24 hrs		755	750	1,185	-
72 hrs		1,335	1,555	1,800	-

The above data is based on standard API lab testing and is not job specific. Actual cement performance will likely vary with downhole conditions & mix water variations.



Cementing Proposal

Triple N Services, Inc.
432.687.1994 fax 432.687.0066

Prepared for:

Louis Edgett
Louray Oil Company

Date: 4-Feb-08
By: Jim Newman
jim@triplenservices.com

casing size: 5.500 inches cement height (w/o excess): 5,332 feet
hole size: 8.000 inches excess: 30 %

cementing program: squeeze holes in casing 4,167 - 5,332' via 5 1/2 x 8 3/4" bradenhead w/ 755 sx C cmt w/ 4% gel (13.5 ppg, 1.69 cfs yield, 8.9 gal/sk water req.)

Total slurry volume = 1,276 ft³ 227 bbls = 2 1/2 hrs
Mix water required = 185.2 bbls
Est. displacement = - bbls
min. water required = 225 bbls w/ 15 bbl lead spacer

Cementing Services

	unit	rate	discount rate	net sub-total
cement pump	1 day	\$ 2,400.00	0%	2,400.00
class C cement, neat	- sx	14.00	0%	-
calcium chloride	- lbs	1.00	0%	-
standby	- hrs	250.00	0%	-
cellophane	- lbs	4.00	0%	-
blended cement	755 sx	15.00	0%	11,325.05
blending charge	755 sx	2.00	0%	1,510.01
pump truck mileage	240 miles	3.50	0%	840.00
bulk truck mileage	240 miles	3.50	0%	840.00
pickup mileage	240 miles	1.00	0%	240.00
cementing crew	1 day	500.00	0%	500.00

Total cementing services: 17,655.06

Other Equipment

	unit	rate	discount rate	sub-total
cementing head w/ plug	- each	\$ 300.00	0%	-
float shoe	- each	550.00	0%	-
guide shoe	- each	242.00	0%	-
Texas Pattern guide shoe	- each	201.00	0%	-
float collar	- each	332.00	0%	-
insert float valve	- each	176.00	0%	-
centralizers	- each	60.00	0%	-
cement basket	- each	201.00	0%	-
stop ring	- each	45.00	0%	-
thread lock	- each	15.00	0%	-

Total float equipment: -

Total Bid for Cementing Services and Float Equipment: \$ 17,655.06

The above estimate includes cement, cement pump truck, crew and pickup, additives, and float equipment as specified above. Mileage on cementing equipment and pickup is round trip from Midland yard. Pump charge and labor is based on up to 5 hrs on-location time, additional crew and equipment time is \$200.00 per hour and is subject to said discount rate. Actual job cost may vary due to actual materials, time, and services performed. Triple N does not warrant the performance of cement products in the wellbore.

ATTN: JIM NEWMAN

From: LOUIS EDGEETT

WELL DIAGRAM
AND TALLY

3-TOTAL PAGES

FAX
432-687-0066

Jim Newman

From: Jim Newman
Sent: Saturday, February 02, 2008 5:58 PM
To: Jim Newman
Subject: Louray
Attachments: Louray Oil Co sqz.xls

Louis Edgett, Louray Oil Co m 575-631-3387 or 575-631-3341, fax 575-396-7207

holes in casing 4,167 - 5,332'

TN recommended by Al Perry w/ Clayton Williams ←

Tuesday a.m.

West from Hobbs on 62-180 ~20 miles to Marathon Road. South on Marathon Road & see two very tall tanks painted like water falls (can see from 62-180). Rig is opposite tanks.

Mesa Well Service

2/4/2008



P.O. BOX 10451
MIDLAND, TX 79702
PHONE: 432-687-1994
FAX: 432-687-0066

CREDIT APPLICATION
(Please Print or Type)

COMPANY NAME: LOURAY OIL CO. LLC.
BILLING ADDRESS: P.O. Box 2081
LOVINGTON, N.M. 88260
PHYSICAL ADDRESS: SAME
505-631-3341 505-391-0503
TELEPHONE #: 505-631-3387 FAX #: 505-4396-7207
TYPE OF BUSINESS: SOLE PROPRIETORSHIP PARTNERSHIP ☒ CORPORATION
YEARS IN BUSINESS: 8 FED ID #: 02 477359000
TAXABLE? YES
If not taxable, please provide documentation.
PO Required? NO
Additional Information Required on Invoice: _____

Invoices should be mailed to: P.O. Box 2081
LOVINGTON, N.M. 88260
Regulatory Forms should be mailed to: SAME

OWNERS/PRINCIPALS:

NAME: <u>DENA STRICKLAND</u>	TITLE: <u>OWNER / PRES</u>
DIRECT PHONE LINE#: <u>505-631-4152</u>	
NAME: _____	TITLE: _____
DIRECT PHONE LINE#: _____	
NAME: _____	TITLE: _____
DIRECT PHONE LINE#: _____	

WELL SERVICE CREDIT REFERENCE:

COMPANY NAME: MESA WELL SERV. PHONE #: 505-602-8262
ADDRESS: HOBBS. FAX #: _____

MAJOR SERVICES CREDIT REFERENCES:

Same company
COMPANY NAME: QUINNAN TRUCKING PHONE #: 505-391-0501
ADDRESS: HOBBS, N.M. FAX: _____

COMPANY NAME: WESTERN CHEM. PHONE #: 505-396-2069
ADDRESS: HOBBS, N.M. FAX: _____

BANK REFERENCE:

BANK NAME: LEA CO. ST. PHONE #: 505-396-2825
BANK ADDRESS: _____ FAX #: 575-396-7103
OFFICER CONTACT: JAYSON KRIEGER ACCT #: _____

ACCOUNTS PAYABLE INFORMATION:

Accounts Payable Manager: KIESHA Direct Link: 505-602-8655
E-mail: _____

On behalf of the company name above, I understand and agree the information furnished on this application is for the purpose of obtaining credit from Triple N Services, Inc. I represent and warrant to the best of my knowledge and belief that all information herein and all other such information here in after furnished to you, is and will be true, accurate and complete on the date as of which such information is provided or certified.

BY: [Signature] DATE COMPLETED: 2-3-08
TITLE: MANAGER

LOUIS FOGGETT

Request For Bank Credit Information

Inquirer to complete this section.

Date: February 6, 2008 Re: LouRay Oil Co. LLC
 To: Lea County State Bank Company: P.O. Box 20801
Attn: Jayson Kringel Street Address: Livingston, NM
976-396-7603 City/State/Zip: _____
 Bank Account Number: _____

- ☒ The above referenced account has applied to us for business credit in the amount of \$_____ and has given your bank as a reference. This is a new account for us with no prior credit experience. We would appreciate it if you would supply the information requested below.
- ☐ We are in the process of updating our credit files on this customer. Your bank was given as a reference. A summary of our experience includes: Opened: _____ High Credit: _____ Terms: _____
 Balance Owning: _____ Payment Experience: _____

Sincerely,

Andrey Nunez
 Signature

Please return a copy of this completed form to:

Andrey Nunez Admin. Asst.
 Name Title
Triple N Services, Inc.
 Company
P.O. Box 10451
 Street Address
Midland, TX 79702
 City/State/Zip
432 1067-1999 432 1067-0000
 Phone Number Fax Number

Bank to complete this section.

CHECKING ACCOUNT: Opened: _____ Average Balance: _____
 Returned Items: ☐ Yes ☐ No Satisfactory: ☐ Yes ☐ No

LOANS:
 Opened: _____ High Credit: _____ Balance: _____
 Secured By: _____ Unsecured: _____
 Payment History: _____

Opened: _____ High Credit: _____ Balance: _____
 Secured By: _____ Unsecured: _____
 Payment History: _____

Comments: _____

Date: _____ Bank Signature _____ Title _____

This form has been approved by the Risk Management Association and the National Association of Credit Management.



P.O. BOX 10451
MIDLAND, TX 79702
PHONE: 432-687-1994
FAX: 432-687-0066

Trade Reference

To: Mesa Well Service
Fax: 432.391.9161
Date: 2-10-00

From: Audrey Nunez

LOURAIN OIL & CO. LLC has applied for credit with us and has listed you as a trade reference. If you could please fill out the following form and return to our office by fax (432.687.0066).

Doing business with your company since: _____

Your payment terms: _____

High Credit: _____

Present balance: _____

Pay History: _____

Comments: _____

Signed By: _____

Date: _____



P.O. BOX 10451
MIDLAND, TX 79702
PHONE: 432-687-1994
FAX: 432-687-0066

Trade Reference

To: Western Chemical

Fax: 806.396.1709

Date: 2/6/00

From: Audrey Nunez

LouRan Oil Co LLC has applied for credit with us and has listed you as a trade reference. If you could please fill out the following form and return to our office by fax (432.687.0066).

Doing business with your company since: _____

Your payment terms: _____

High Credit: _____

Present balance: _____

Pay History: _____

Comments: _____

Signed By: _____

Date: _____



P.O. BOX 10451
MIDLAND, TX 79702
PHONE: 432-687-1994
FAX: 432-687-0066

Trade Reference

To: Quannah Trucking
Fax: 978-391-0503 or 906-391-0503
Date: 7-6-08

From: Audrey Nunez

LouRay Oil LLC has applied for credit with us and has listed you as a trade reference. If you could please fill out the following form and return to our office by fax (432.687.0066).

Doing business with your company since: _____

Your payment terms: _____

High Credit: _____

Present balance: _____

Pay History: _____

Comments: _____

Signed By: _____

Date: _____



Trade Reference

To: Western Chemical
Fax: 800-396-1709
Date: 2/6/08
From: Audrey Nuncz

LOURAY OIL CO. LLC has applied for credit with us and has listed you as a trade reference. If you could please fill out the following form and return to our office by fax (432.687.0066).

Doing business with your company since: January 2002

Your payment terms: net 30 days

High Credit: \$30,000

Present balance: 0

Pay History: pay on time since January 2002

Comments: never late

Signed By: [Signature]

Date: 2/6/08



Trade Reference

To: Mesa Well Service
Fax: 979.391.9061
Date: 2-6-08

From: Audrey Nunez

WURAU OIL & CO. LLC has applied for credit with us and has listed you as a trade reference. If you could please fill out the following form and return to our office by fax (432.687.0066).

Doing business with your company since: 11/08

Your payment terms: Net 30

High Credit: _____

Present balance: 22,020.00

Pay History: _____

Comments: New Customer no problems
as far as we can tell.

Signed By: Dannic Reason

Date: 2/6/08

Request For Bank Credit Information

Date: February 6, 2008 **Re:** LOURAY DII CO. LLC

To: Lea County State Bank
Attn: Jayson Kruegel
976.396.7603

Company: P.O. Box 2081
Street Address: Lovington, NM
City/State/Zip:

First Account Number:

☒ The above referenced account has applied to us for business credit in the amount of \$_____ and has given your bank as a reference. This is a new account for us with no prior credit experience. We would appreciate it if you would supply the information requested below.

☐ We are in the process of updating our credit files on this customer. Your bank was given as a reference. A summary of our experience includes: Opened: _____ High Credit: _____ Terms: _____
Balance Owning: _____ Payment Experience: _____

Sincerely,

Andrey Nunez
Signature

Please return a copy of this completed form to:
Andrey Nunez Admin. Asst.
Triple N Services, Inc.
Company
P.O. Box 10451
Street Address
Midland, TX 79702
City/State/Zip
432.187.1991 432.187.0006
Phone Number Fax Number

CHECKING ACCOUNT: Opened: 9/2004 Average Balance: H-3 Figures
Returned Items: ☒ Yes ☐ No Satisfactory: ☒ Yes ☐ No

LOANS: L.O.C. L-5 Figures
Opened: 1/2008 High Credit: ~~8 figures~~ Balance: ~~8 figures~~ 0
Secured By: CD - cash Unsecured: --
Payment History: as agreed

LOC: L-5 Figures
Opened: 1/2008 High Credit: ~~8 figures~~ Balance: ~~8 figures~~ 0
Secured By: CD - cash Unsecured: --
Payment History: as agreed

Comments: _____

Date: 2/06/08 Jayson Kruegel Branch Manager
Bank Signature Title

triple n services.com

LCSB's Information Exchange Guidelines

To ensure accuracy and consistency when exchanging credit information, the RMA General Figure Ranges should be used. It may be necessary, at times, to clarify these terms so that the inquirer and respondent are "speaking the same language". There are four ranges:

Low	1 - 1.9
Moderate	2 - 3.9
Medium	4 - 6.9
High	7 - 9.9

The ranges can be applied to any figure category. Sample figure categories follow:

"Nominal"	=	under \$100
3 figures	=	from \$100 to \$999
4 figures	=	from \$1,000 to \$9,999
5 figures	=	from \$10,000 to \$99,999
6 figures	=	from \$100,000 to \$999,999
		and so on

In order to choose the correct General Figure Range, look at the first digit of the dollar amount and find the range that contains that digit. To determine the correct figure category, count the number of digits in the dollar amount (ignore digits to the right of the decimal point). Report the amount using both the range description and figure category, for example, "average balances are in the medium 4 figure range".

Examples:

If the dollar amount is:	The General Figure Range is:
\$350,000	Moderate 6 figures
\$100,000	Low 6 figures
\$ 475	Medium 3 figures
\$ 87,000	High 5 figures
\$239,452.27	Moderate 6 figures



PO Box 10451
Midland, TX 79702
432.687.1994 Voice
432.687.0066 Fax

INVOICE

Invoice Number: 10322
Invoice Date: Feb 13, 2008

Bill To:
Louray Oil Co., LLC
PO Box 2081
Lovington, NM 88260

Well/Lease Name and Number:
Job 02-043-08
Government "E" #1
Lea County, NM

Customer PO

Quantity	Item	Description	Unit Price	Amount
1.00		To invoice cementing services rendered on the Government "E" #1 well in Lea County, NM. cement pump truck	300.00	300.00
Subtotal				300.00
Sales Tax				
Total Invoice Amount				300.00
Payment/Credit Applied				
TOTAL				300.00

TERMS & CONDITIONS: This sale is made subject to the following terms & conditions: TERM - payable upon receipt - 1. All bills and accounts are payable at our home office in Midland County, Texas. 2. All claims for credit must be made within (30) days from day of sale. 3. Late payment charges of 1-1/2% per month (annual of 18%) will be assessed on all invoices unpaid after 30 days from date of invoice.

OILWELL CEMENTING & WIRELINE SERVICES - PLUGGING & ABANDONMENT

P.O. BOX 10451
MIDLAND, TEXAS 79702
(432) 687-1994
FAX (432) 687-0066

DAILY ACTIVITY & FIELD TICKET

DATE 2-13-07 JOB# 03.043.00 CUSTOMER Louise Oil Co.
DAY Wednesday RIG# _____ ADDRESS _____
WELL OR LEASE Government E#1 _____
COUNTY Lea Co. NM _____ Perfs/HIC _____ SQZ CSG P&A PLUGBACK
TUBING/DP _____ CASING SIZE _____ HOLE SIZE _____ MAX PRESSURE: 2500 psi
PACKER SETTING _____ BP SETTING _____ PLUG DOWN _____ am pm MAX RATE: 2 bbl/min
SLURRY VOLUME _____ TYPE _____

ACTIVITY OR DESCRIPTION OF SERVICES: Load 10 bbl's fresh water. M18 U. Retainer sitting @ 4604'. Establish rate @ 1/2 bbl/min @ 2500 psi. RDMO

SERVICE SUPERVISOR:	<u>Josh Chay</u>	HOURS:	ARRIVE YARD:
EQUIPMENT OPERATOR:	<u>Eddy Ramirez</u>		ARRIVE LOCATION: <u>4:00 pm</u>
EQUIPMENT OPERATOR:			LEAVE LOCATION: <u>5:30 pm</u>
HELPER:			LEAVE YARD:

[illegible]Page# 1 of 1

Supervisor Jack Chay Tide of Representative

VEHICLE#	MILEAGE
----------	---------

Total Amount: \$ 300.00

Approved: [Signature]
Company Representative

Name: _____

Phone #: 10322