

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 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	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-33581 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No.
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. WELL OVER BACK RESVR. ☐ OTHER		7. Lease Name or Unit Agreement Name RED LAKE 36 C STATE RECEIVED 8. Well No. 1 FEB 01 2005 OCD-ARTESIA
2. Name of Operator EDGE PETROLEUM OPER. CO., INC.		9. Pool name or Wildcat RED LAKE; GLORIETTA-YESO, NORTHEAST
3. Address of Operator 1301 TRAVIS, SUITE 2000 HOUSTON, TX 77002		
4. Well Location Unit Letter <u>C</u> : <u>990</u> Feet From The <u>NORTH</u> Line and <u>2130</u> Feet From The <u>WEST</u> Line Section <u>36</u> Township <u>17-S</u> Range <u>27-E</u> NMPM <u>EDDY</u> County		
10. Date Spudded 10-21-04	11. Date T.D. Reached 10-30-04	12. Date Compl. (Ready to Prod.) 12-26-04
13. Elevations (DF& RKB, RT, GR, etc.) 3613' GR		14. Elev. Casinghead
15. Total Depth 3650'	16. Plug Back T.D. 3693'	17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By Rotary Tools XXX 3650'
19. Producing Interval(s), of this completion - Top, Bottom, Name 3198'-3294' YES0		20. Was Directional Survey Made NO
21. Type Electric and Other Logs Run Dual Laterolog, Cement Bond Gamma Collar Log, Spectral Density Dual-Spaced Neutron		22. Was Well Cored YES, SIDEWALL
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8 5/8"	32#	414'
5 1/2"	17# & 15.5#	3645'
		HOLE SIZE
		12 1/4"
		7 7/8"
		CEMENTING RECORD
		300 sx "C"
		350 sx 65:35 "C"
		+ 200 sx "C"
		AMOUNT PULLED
		None
		None
24. LINER RECORD		
SIZE	TOP	BOTTOM
SACKS CEMENT		SCREEN
25. TUBING RECORD		
SIZE	DEPTH SET	PACKER SET
2 7/8"	3595'	3145'
26. Perforation record (interval, size, and number) 1 SPF as follows: 3198', 3202', 3223+3226', 3243', 3249'-3253', 3256', 3261'-3263', 3267'-3269', 3273', 3274', 3277'-3281', 3294'. 4" csg gun, 23 gr, 0.48" EHD & 42.8" TTP		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 3198'-3294' 3000 gal 15% HCl 3198'-3294' 20,000 gal Heated acid 3198'-3294' 30,000 gal WF 130		
28. PRODUCTION		
Date First Production 12-28-04		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING
Date of Test 1-19-05		Well Status (Prod. or Shut-in) PRODUCING
Hours Tested 24	Choke Size 64/64	Prod'n For Test Period Oil - Bbl 38 Gas - MCF 71 Water - Bbl. 350 Gas - Oil Ratio 1868
Flow Tubing Press. 20	Casing Pressure 20	Calculated 24-Hour Rate Oil - Bbl. 38 Gas - MCF 71 Water - Bbl. 350 Oil Gravity - API - (Corr.) 40.0
29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD		Test Witnessed By
30. List Attachments Logs, Deviation report, Drilled sidewall core analysis report		
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 JIM KEISLING	Title V.P. PRODUCTION
E-mail Address jkeisling@edgepet.com		Date 1-18-05

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	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. Queen 962	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg 1390	T. Montoya	T. Mancos	T. McCracken
T. San Andres 1716	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 3076	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinbry	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. YESO 3166	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

WELL NAME AND NUMBER Red Lake 36C State No. 1
LOCATION 990' FNL & 2310' FWL, Section 36, T17S, R27E, Eddy County NM
OPERATOR Edge Petroleum Operating Company, Inc.
DRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/2° 420'</u>	<u> </u>	<u> </u>
<u>3/4° 1001'</u>	<u> </u>	<u> </u>
<u>1° 1526'</u>	<u> </u>	<u> </u>
<u>1/2° 2017'</u>	<u> </u>	<u>RECEIVED</u>
<u>3/4° 2475'</u>	<u> </u>	<u>FEB 01 2005</u>
<u>3/4° 3025'</u>	<u> </u>	<u>CCO-ARTESIA</u>
<u>1/2° 3650'</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Drilling Contractor United Drilling, Inc.

By: George A. Aho

George A. Aho

Title: Business Manager

Subscribed and sworn to before me this 5th day of November,
2004.

Carlue Martin

Notary Public

My Commission Expires: 10-08-08

Chaves New Mexico
County State

Drilled Sidewall Core Analysis Report

Company : Edge Petroleum Operating, Inc.
 File No. : 04295
 Well : Red Lake 36 "C" State No. 1
 Location : 990' FNL & 2310' FWL, Sec 36, T17S, R27E

Field: Red Lake
 Formation:
 County : Eddy County, New Mexico

Sample Number	Depth ft	Air Permeability mD	Klinkenberg Permeability mD	Porosity %	Grain Density g/cc	Sw %	So %	Gas Units	Fluorescence %	Sample Description
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Confining Pressure 500psi

1	2,045.0	0.0195	0.0101	7.69	2.81	47.8	19.6	500+	95	Gld
2	2,104.0	0.0269	0.0145	7.82	2.82	40.6	22.9	450	100	Gld sp
3	2,129.0	1.32	1.10	13.58	2.79	45.0	18.4	500+	90	DI gld sp
4	2,229.0	4.58	4.11	8.97	2.84	37.6	19.0	500+	90	Gld sp
5	2,280.0	0.0888	0.0605	6.41	2.76	62.7	0.0	23	tr	DI yl
6	2,344.0	0.0694	0.0454	6.75	2.86	49.7	8.8	169	15	Brt gld sp
7	2,389.0	1.06	0.8901	9.72	2.83	44.1	18.1	500+	80	Brt gld sp
8	2,475.0	0.0323	0.0187	4.51	2.81	67.3	0.0	30	tr	Brt gld
9	2,589.0	0.0117	0.0056	2.87	2.83	53.6	6.1	146	10	Gld sp
10	2,654.0	1.63	1.40	9.37	2.77	60.0	7.8	385	15	Gld sp
11	2,698.0	1.64	1.40	7.64	2.83	50.1	12.6	228	30	Gld-brt gld sp
12	2,811.0	0.4729	0.3767	7.49	2.86	44.8	15.7	500+	50	Yl sp
13	2,836.0	1.14	0.9505	10.13	2.82	41.6	17.3	356	80	Yl-brt yl sp
14	2,869.0	0.3222	0.2518	5.99	2.84	68.8	0.0	15	0	DI gld mf
15	3,091.0	0.1650	0.1212	6.58	2.72	45.7	15.5	444	40	Gld-dl gld sp
16	3,203.0	9.11	8.42	8.89	2.84	46.6	17.8	500+	80	Gld-brt gld sp
17	3,225.0	44.15	42.49	14.38	2.84	45.0	17.4	500+	90	DI gld sp
18	3,253.0	0.0628	0.0398	8.11	2.74	42.7	21.3	500+	90	Gld-dl gld sp
19	3,279.0	0.2263	0.1684	11.13	2.72	33.3	22.1	500+	100	Gld-brt gld
20	3,355.0	4.56	4.11	10.43	2.81	51.4	9.1	500+	20	Brt gld sp

RECEIVED

FEB 01 2005

OCCIDENTAL

Drilled Sidewall Core Analysis Report

Company : Edge Petroleum Operating, Inc. **Field:** Red Lake
File No. : 04295 **Formation:**
Well : Red Lake 36 "C" State No. 1 **County :** Eddy County, New Mexico
Location : 990' FNL & 2310' FWL, Sec 36, T17S, R27E

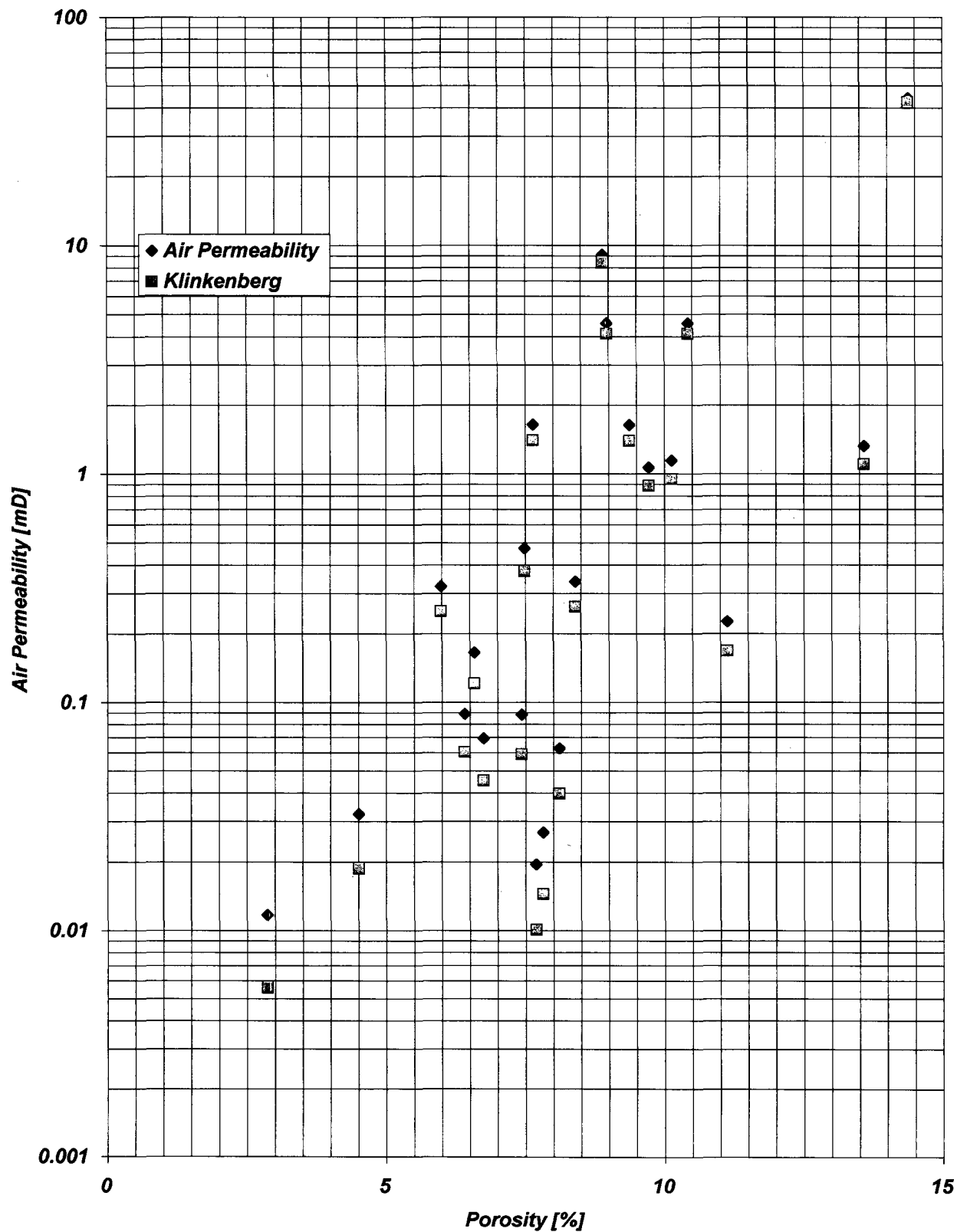
Sample Number	Depth ft	Air Permeability		Klinkenberg Permeability		Porosity %	Grain Density g/cc	Sw %	So %	Gas Units	Fluorescence		Sample Description
		mD	mD	mD	mD						%	Description	
21	3,481.0	0.0883		0.0591		7.43	2.81	45.3	18.3	500+	80	Brt yl-gld sp	
22	3,503.0	0.3382		0.2626		8.40	2.84	50.8	13.4	289	30	Brt yl-gld sp	

Note: 500+ gas reading represents a saturated detector filament

1% CH4 in air = 100 gas units

Note: Analysis for samples with an asterisk was performed at ambient conditions

Permeability versus Porosity @ 500psi Confining Pressure



Drilled Sidewall Core Analysis Report

Company : Edge Petroleum Operating, Inc.

Field: Red Lake

File No. : 04295

Formation:

Well : Red Lake 36 "C" State No. 1

County : Eddy County, New Mexico

Location : 990' FNL & 2310' FWL, Sec 36, T17S, R27E

Sample Number	Depth	Grain Density	Porosity	Air Perm	Kk Perm	Porosity	Air Perm	Kk Perm	Porosity	Air Perm	Kk Perm
	ft	g/cc	%	mD	mD	%	mD	mD	%	mD	mD
Confining Pressure 500psi											
1	2,045.0	2.81	7.69	0.0195	0.0101	7.24	0.0115	0.0052			
2	2,104.0	2.82	7.82	0.0269	0.0145	7.34	0.0199	0.0101			
3	2,129.0	2.79	13.58	1.32	1.10	12.59	1.18	0.98			
4	2,229.0	2.84	8.97	4.58	4.11	8.61	4.51	4.05			
5	2,280.0	2.76	6.41	0.0888	0.0605	5.97	0.0424	0.0255			
6	2,344.0	2.86	6.75	0.0694	0.0454	6.27	0.0436	0.0264			
7	2,389.0	2.83	9.72	1.06	0.89	9.21	1.01	0.85			
8	2,475.0	2.81	4.51	0.0323	0.0187	4.06	0.0163	0.0081			
9	2,589.0	2.83	2.87	0.0117	0.0056	2.64	0.0060	0.0025			
10	2,654.0	2.77	9.37	1.63	1.40	8.96	1.03	0.8705			
11	2,698.0	2.83	7.64	1.64	1.40	6.83	1.59	1.36			
12	2,811.0	2.86	7.49	0.4729	0.3767	7.02	0.4391	0.3491			
13	2,836.0	2.82	10.13	1.14	0.9505	9.34	1.02	0.8461			
14	2,869.0	2.84	5.99	0.3222	0.2518	5.74	0.2623	0.2025			
15	3,091.0	2.72	6.58	0.1650	0.1212	6.11		0.1203	0.0848		
16	3,203.0	2.84	8.89	9.11	8.42	8.47	9.05	8.37			
17	3,225.0	2.84	14.38	44.15	42.49	13.86	44.06	42.37			
18	3,253.0	2.74	8.11	0.0628	0.0398	7.56	0.0413	0.0239			
19	3,279.0	2.72	11.13	0.2263	0.1684	10.67	0.1725	0.1256			
Confining Pressure 1,050psi											

Confining Pressure 1,050psi

Drilled Sidewall Core Analysis Report

Company : Edge Petroleum Operating, Inc.

File No. : 04295

Well : Red Lake 36 "C" State No. 1

Location : 990' FNL & 2310' FWL, Sec 36, T17S, R27E

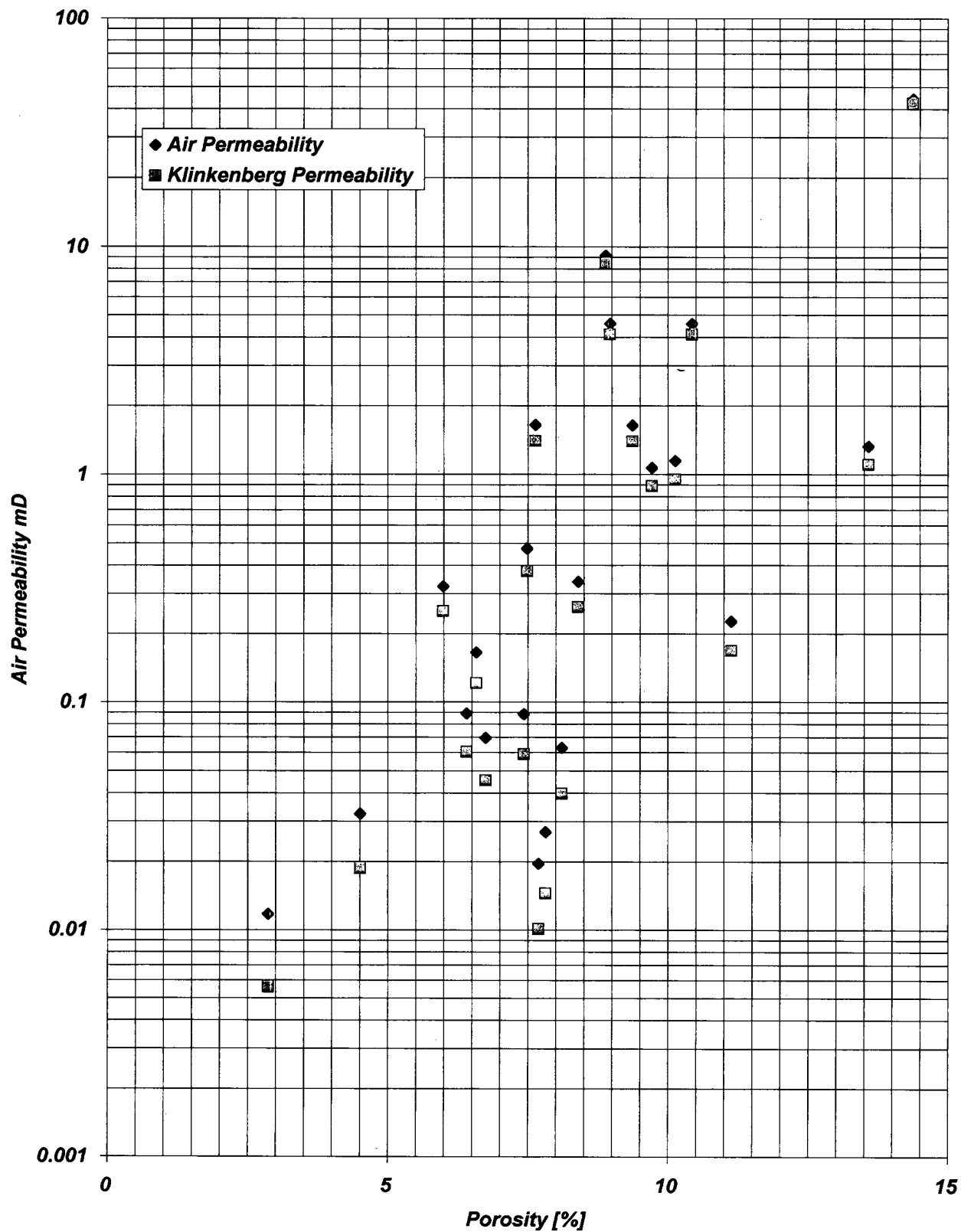
Field: Red Lake

Formation:

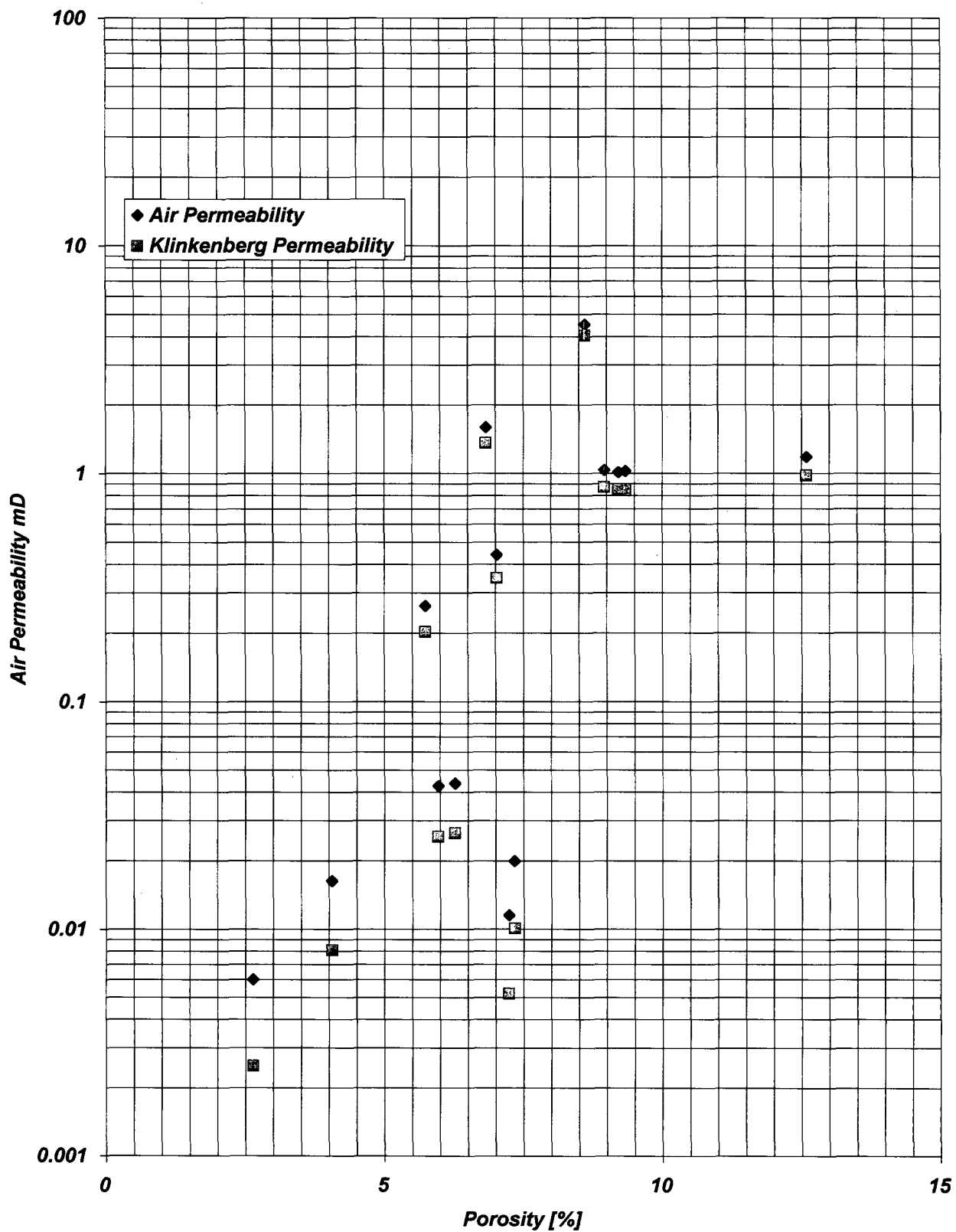
County : Eddy County, New Mexico

Sample Number	Depth ft	Grain Density g/cc	Porosity %	Air Perm mD	Kk Perm mD	Porosity %	Air Perm mD	Kk Perm mD	Porosity %	Air Perm mD	Kk Perm mD
			Confining Pressure 500psi			Confining Pressure 800psi			Confining Pressure 1,050psi		
20	3,355.0	2.81	10.43	4.56	4.11	9.62	4.43	3.98	7.13	0.0731	0.0477
21	3,481.0	2.81	7.43	0.0883	0.0591	7.07	0.3134	0.2423			
22	3,503.0	2.84	8.40	0.3382	0.2626						

Permeability versus Porosity @ 500psi



Permeability versus Porosity @ 800psi



Permeability versus Porosity @ 1,050psi

