

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No
NM117806

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☐ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other: _____

6. If Indian, Allottee or Tribe Name
N-A

7. Unit or CA Agreement Name and No.
N-A

2. Name of Operator
Tarco Energy LC

8. Lease Name and Well No.
Magruder 19

3. Address 12403 CR 2300, Lubbock, TX 79423

3a. Phone No. (include area code)
806-795-2042

9. API Well No.
3001537744

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface
1610' FSL 1645' FEL

540' TD - Deviation survey waived by OCD

At top prod. interval reported below

At total depth

14. Date Spudded
11/14/2010

15. Date T.D. Reached
08/06/2011

16. Date Completed 08/22/2011
☐ D & A ☒ Ready to Prod.

10. Field and Pool or Exploratory
Yates - Seven Rivers

11. Sec, T., R., M., on Block and
Survey or Area SEC 35, T17S, R27E

12. County or Parish

13. State

EDDY

NM

17. Elevations (DF, RKB, RT, GL)*
3624'

18. Total Depth: MD 540'
TVD

19. Plug Back T.D.: MD
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
Compensated Neutron, Gamma Ray, CCL Log

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ 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 Cement Depth	No. of Sk. & Type of Cement	Shurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8 J55	24#	Surface	380'		70 A & B	*16.3	SURFACE	4 (BBL) TO PIT
7 7/8"	4 1/2 J55	11.6#	Surface	540'		95 A & B	**22.19	SURFACE	TOPED OFF 4'

* 19.56 BBL USED FOR VOLUME ASSURANCE
** 26.63 " " " " " "

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"	490'	N-A						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Yates	446'	487'	446'-48'		6	
B)			459'-62'		9	
C)			466'-70'		12	
D)			480'-87'		21	

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
446' - 487'	2500 GALS -- 15% - HCL with ACI - 166 2.5 Gal, NE - 116 1.25 GAL, NE 122 1.25 Gal FE Reducer 7.5 Gal, Balls 100

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
8-24-11	8-24-11	24	→	14	4	23	38		Pump Jack
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
N-A	N-A	17#	→					Producing	

RECLAMATION
DUE 2-22-12

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

ACCEPTED FOR RECORD

FEB 4 2012

*(See instructions and spaces for additional data on page 2)

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	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 Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29 Disposition of Gas (Solid, used for fuel, vented, etc.)

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

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) Joe L. TarterTitle ManagerSignature Date 08/24/2011

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.

(Continued on page 3)

(Form 3160-4, page 2)

30-015-37744

Tarco Energy LC

**Drilling and Completion Report
MaGruder #19**

**11-10-2010 – Set surface BOP (diverter) Casing
11-12-2010 – move in rig & set up for drilling
11-14-2010 spud in w/ 12 ¼" Bit
12-17-2010 reached TD 380'
12-20-2010 Ran new 8 5/8" J55 – 24# surface to 380'
12-21-2010 circulate cement to surface**

**Drilling supervisor (Blake Tarver) Had to go through
sever weeks of Chemo Therapy in Lubbock**

**Outsourcing new air equipment/ compressor/air hammer
and bits**

**07-13-2011 set up to drill 7 7/8"
07-14-2011 drilled to 480' –Bit and hammer stuck
08-06-2011 Reached TD 540'
08-06-2011 ran 4 ½" J55 – 11.6# new – surface to 540'
08-06-2011 circulate cement to surface
08-09-2011 Gray wireline—comp neutron/gamma ray/ccl Log
Perf 3 holes per ft 446' – 48' (6) 459' – 62' (9)
466' – 70' (12) 480' – 87' (21)
08-15-2011 Crain Hot Oil
2500 gals – 15% - HCL with ACI – 166 2.5 gals,
NE – 116 1.25 gals, NE 122 1.25 gals, FE reducer
7.5 gals
08-22-2011 ran production 2 3/8" to 490' – rods & down
hole pump, hung on for production**