

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105
Revised June 10, 2003

District I
1625 N. French, 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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-015-34628

5. Indicate Type Of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

E-4397

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____

b. Type of Completion:

NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER **RECEIVED**

7. Lease Name or Unit Agreement Name

East Millman Pool Unit Tract 2

8910169240

2. Name of Operator

Stephens & Johnson Operating Co.

MAY 08 2006

8. Well No.

3

3. Address of Operator

P.O. Box 2249 Wichita Falls, Texas 76307-2249

9. Pool name or Wildcat

Millman Yates -SR-QN-GB-SA, East

4. Well Location

Unit Letter J : 1857 Feet From The South Line and 2317 Feet From The East Line

Section 12 Township 19S Range 28E NMPM Eddy County

10. Date Spudded

3-22-06

11. Date T.D. Reached

3-27-06

12. Date Compl. (Ready to Prod.)

4-7-06

13. Elevations (DF & RKB, RT, GR, etc.)

3391' GR 3399' KB

14. Elev. Casinghead

3394'

15. Total Depth

2730'

16. Plug Back T.D.

2710'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

0-2730'

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

2345-2509' Lower Grayburg

20. Was Directional Survey Made

No

21. Type Electric and Other Logs Run

Dual Laterolog, MCFL, Density-Neutron, Gamma Ray

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	324'	12 1/4"	200 sx circ to surface	
5 1/2"	15.50	2725'	7 7/8"	700 sx circ to surface	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET

25. TUBING RECORD

26. Perforation record (interval, size, and number)

One shot at: 2345', 2348', 2351', 2354', 2357', 2377', 2380', 2383', 2386', 2389', 2426', 2429', 2462', 2465', 2468', 2471', 2484', 2487', 2490', 2493', 2506' and 2509'

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
2345-2509'	3,000 gals 15% NEFE acid
	103,500 gal 10# brine, 20,000# BJ
	LiteProp 125, 5,000# LC 16/30 sand

28. PRODUCTION

Date First Production 4-7-06		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) Pumping 2 1/2" x 2" x 16'					Well Status (<i>Prod. or Shut-in</i>) Producing	
Date of Test 4-14-06	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl. 53	Gas - MCF 32	Water - Bbl. 310	Gas - Oil Ratio 604	
Flow Tubing Press.	Casing Pressure	Calculated 24- Hour Rate	Oil - Bbl. 53	Gas - MCF 32	Water - Bbl. 310	Oil Gravity - API -(<i>Corr.</i>) 40		

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

Sold

Test Witnessed By

Mark Hope

30. List Attachments

Deviation Survey, Dual Laterolog, Density-Neutron Log

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

Signature William M. Kincaid Printed Name William M. Kincaid Title Petroleum Engineer Date 4-18-06
E-mail address mkincaid@sjoc.net

WELL NAME AND NUMBER East Millman 2-3

LOCATION 1857' FSL, 2317' FEL, Sec. 12, Unit J, T19S, R28E, Eddy Co. NM

OPERATOR Stephens & Johnson Operating Co.

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° @ 340'</u>	<u> </u>	<u> </u>
<u>1/4° @ 1027'</u>	<u> </u>	<u> </u>
<u>3/4° @ 1531'</u>	<u> </u>	<u> </u>
<u>3/4° @ 2034'</u>	<u> </u>	<u> </u>
<u>1/4° @ 2730'</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Drilling Contractor United Drilling, Inc.

By: George Aho George Aho

Title: Business Manager

Subscribed and sworn to before me this 31st day of March,
2006.

Carlene Martin

Notary Public - Carlene Martin

My Commission Expires: 10-08-08

Chaves
County

New Mexico
State

RECEIVED

APR 04 2006