N.M. Oil Cons. DIV-Dist. 2 1301 W. Grand Avenue

DAVID R. GLASS

PETROLEUM ENGINEER

Artesia, NM 88210 Form 3160-4 (April 2004) UNITED STATES FORM APPROVED OMBNO. 1004-0137 Expires: March 31, 2007 DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT WELL COMPLETION OR RECOMPLETION REPORT AND LOG Lease Serial No. NM-32311 If Indian, Allottee or Tribe Name Ia. Type of Well Oil Well Gas Well Dry Other b. Type of Completion: New Well Work Over Deepen Plug Back Diff. Resvr,. Unit or CA Agreement Name and No. 2. Name of Operator MCKAY OIL CORPORATION Lease Name and Well No. INEXCO FED #6 Address P. O. BOX 2014 AFI Well No. Phone No. (include area code) 30-005-63740*QQS* 505-623-4735 ROSWELL, NM 88202-2014 RECEIVED 10. Field and Pool, or Exploratory Location of Well (Report location clearly and in accordance with Federal requirements)* JUL 1 2 2006 At surface 990' FSL, 990' FWL Sec., T., R., M., on Block and Survey or Area SEC19, T5S, R22E DID MITTED At top prod. interval reported below County or Parish 13. State At total depth 4260' **CHAVES** Elevations (DF, RKB, RT, GL)* 14. Date Spudded 15. Date T.D. Reached 16. Date Completed 02/22/2006 4279' 07/06/2005 07/26/2006 D& A Ready to Prod. 18. Total Depth: 19. Plug Back T.D.: MD 20. Depth Bridge Plug Set: MD TVD TVD 4260 TVD 4156' 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Was well cored? Yes (Submit analysis) **✓** No Was DST run? Yes (Submit report) Cement, CNL (Mailed directly to Schlumberger) Directional Survey? No ✓ Yes (Submit copy) 23. Casing and Liner Record (Report all strings set in well) Stage Cementer No. of Sks. & Slurry Vol. (BBL) Amount Pulled Hole Size Size/Grade Wt. (#/ft.) Top (MD) Bottom (MD) Cement Top* Type of Cement Depth 12 1/4" 8 5/8" 1012 575sks Cls C 24# 1010sks Cls C 7 7/8" 5 1/2" 15.5# 4128 596sks POZ 24. Tubing Record Depth Set (MD) Packer Depth (MD) Depth Set (MD) Packer Depth (MD) Depth Set (MD) Packer Depth (MD) Size Size Size 2 3/8" 38431 2870 25. Producing Intervals Perforation Record Perf. Status Formation Top Bottom Perforated Interval Size No. Holes A) Tubb 2978 See Below in Section 30 4146' B) \overline{C} D) 27. Acid, Fracture, Treatment, Cement Squeeze, etc. Depth Interval Amount and Type of Material 4146' - 2978' Acidize w/1,450gal 10%HCL Frac w/41,790gal 70QC02 190,980lbs 16/30 brown sand 14,080lbs resin sand 16/30 28. Production - Interval A Date First Production Method Test Date Oil Gravity Corr. API Oil BBL Gas MCF Water BBL Gravity Produced 02/23/2006 02/23/200 323 n/a Choke Tbg. Press. Gas Gas/Oil Well Status Oil BBL Csg. Press. 24 Hr. Water Flwg. MCF BBL Ratio Size SI 650 PTED FOR RECORD n/a 16/64 650 1938 0 28a. Production - Interval B Date First Oil Gravity Corr. API Gas MCF Gas Gravi Hours Test Produced Date Tested Production BBL RRI 2006 Choke Gas/Oil Well Status Oil BBL Gas MCF Tbg. Press Csg. Press. 24 Hr. Ratio Size Rate

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

28b. Production - Interval C											
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Соп. 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	1	· · · · · · · · · · · · · · · · · · ·	
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 (Sold, used for fuel, vented, etc.)											
30. Summary of Porous Zones (Include Aquifers):								31. Formation (Log) Markers			
Show all important zones of porosity and contents thereof: Cored intervals a							ls and all drill-sten				
tests, including depth interval tested, cushion used, time tool open, flowing and shut-in and recoveries.								S			
Formation		Тор	Bottom		Descriptions, Contents		ents, etc.		Name	Top Meas. Depth	
Tubb		4142' 4021' 3978' 3876' 3848' 3702' 3537' 3056.5' 2978'	4146' 4055' 3996' 3879' 3857' 3714' 3539' 3063.5' 2985'	2spf 2spf 2spf 2spf 2spf 1spf 1spf 1spf	Perf Sta Perf Sta Perf Sta Perf Sta Perf Sta Perf Sta Perf Sta	atus - Open tus - Open					
32. Additional remarks (include plugging procedure):											
Logs mailed directly to Schlumberger											
33. Indicate which itmes 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) Carol Shanks							Title Prod	Title Productioin Analyst			
Sign	ature	Ch	W(81	anl	Date 06/30	ate 06/30/2006				

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.