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

UNITED STANTESIA, NM 88210 DEPARTMENT OF THE INTERIOR Form 3160-4 (April 2004) FORM APPROVED OMB NO. 1004-0137 BUREAU OF LAND MANAGEMENT Expires: March 31, 2007 WELL COMPLETION OR RECOMPLETION REPORT AND LOG Lease Serial No. NM-LC-058603 Oil Well Gas Well Dry Other If Indian, Allottee or Tribe Name la. Type of Well New Well Work Over Deepen Plug Back Diff. Resvr,. b. Type of Completion: Unit or CA Agreement Name and No. NM 68291X Name of Operator Tandem Energy Corporation Lease Name and Well No. BGSAU # 12-3 AFI Well No. Phone No. (include area code) Address P.O. Box 1559 Midland, TX 79702-1559 30-015-34660 5 432-686-7136 10. Field and Pool, or Exploratory Location of Well (Report location clearly and in accordance with Federal requirements)* Loco Hills QU-GB-SA At surface 150' FNL, 225' FWL Sec., T., R., M., on Block and Survey or Area 8-18S-29E At top prod. interval reported below County or Parish 13. State At total depth same Eddy 14. Date Spudded 15. Date T.D. Reached 16. Date Completed Elevations (DF, RKB, RT, GL)* 07/03/2006 04/05/2006 04/18/2006 D&A Ready to Prod. 35771 20. Depth Bridge Plug Set: 18. Total Depth: MD 3121' 19. Plug Back T.D.: MD 2715' MD TVD TVD 3121' TVD 2715' ✓ No Yes (Submit analysis)
✓ No Yes (Submit report) 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Was well cored? Was DST run? GR/CCL/CNL Yes (Submit copy) Directional Survey? **✓** No 23. Casing and Liner Record (Report all strings set in well) Stage Cementer No. of Sks. & Slurry Vol. (BBL) Amount Pulled Size/Grade Wt. (#/ft.) Bottom (MD) Cement Ton* Hole Size Top (MD) Type of Cement Depth 165 sx "C" N/A 11" 8-5/8" 24# surface 351 40 surface 7-7/8" 5-1/2" 17# 2749 800 sx "C" 264 ??? N/A surface Tubing Record Depth Set (MD) Packer Depth (MD) Depth Set (MD) Packer Depth (MD) Size Depth Set (MD) Packer Depth (MD) Size Size 2-3/8" 2665 25. Producing Intervals Perforation Record Formation Top Bottom Perforated Interval Size No. Holes Perf. Status 24621 2488'- 2652' 0.45" Grayburg 16 B) $\overline{0}$ D) / og 27. Acid, Fracture, Treatment, Cement Squeeze, etc. Depth Interval Amount and Type of Material 2450'-2663' Acidize 3500 gals 15% NEFe HCl 2450'-2663' Frac 140,000 gals, 100,000 # 12/20 Brown 28. Production - Interval A Oil Gravity Corr. API Date First Production Method Water BBL 24 25 p Test Oil BBL Gas MCF Date Gravity Produced Production 07/04/2006 07/31/2006 24 20 20 Choke Gas/Oil Tbg. Press Csg. Press. Oil Water BBL Well Status 24 Hr. Flwg. ŘŘI. MCF Producing ACCEPTED FOR RECORD Size Rate 20 20 28a. Production - Interval B Date First Test Hours Test Gas MCF Oil Gravity Corr. API Gas Gravity Production Method BBL Production BBL SEP - 7 2006

Choke

Tbg. Press

24 Hr.

Rate

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

Gas

MCF

Oil BBL Water BBL Gas/Oil

Ratio

Well Status

ALEXIS C. SWOBODA

PETROLEUM ENGINEER

70h n	uation I	mal C									
Date First	uction - Inte	rval C Hours	Test	Oil	Gas	Water	Oil Gravity	Gas	Production Method		
Produced	Date	Tested	Production	BBL	MCF	BBL	Cort. API	Gravity	Citatican Method		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status			
8c. Prod	luction - Int	erval D	<u>.L., -</u>		-	!					
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	Tog. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status			
29. Disp	osition of C	Gas (Sold,	used for fuel,	vented, et	 c.)						
use	d for fuel										
O. Sum	mary of Po	rous Zones	(Include Aq	uifers):				31. Format	tion (Log) Markers		
Shov	w all impor	tant zones	of porosity	and conter	nts thereof: i, time tool o	Cored intervipen, flowing	als and all drill-sten and shut-in pressure	n İ			
Fort	mation	Тор	Bottom		Descriptions, Contents, etc.				Name Top Meas. Dept		
						·					
32. Addi	itional rema	rks (includ	le plugging p	rocedure):							
			·								
₽ EI	lectrical/Me	chanical L	been attached ogs (1 full so	et req'd.)		the appropria deologic Repo Core Analysis	ort DST Repor	t Direction	nal Survey		
34. I here	eby certify t	hat the for	egoing and a	ttached inf	ormation is o	complete and	correct as determine	d from all availa	able records (see attached instructions)*		
Name (please print) Toben Scott							Title	Title VP-Operations			
Signa	ature		den	Dù	M		Date _q	6/06			

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.