

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., 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	State of New Mexico Energy, Minerals and Natural Resources S Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-015-34027 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. VO-5751
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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 RESV ☐ OTHER ☐	7. Lease Name or Unit Agreement Name Midnight 13 State Com #1																																	
2. Name of Operator Ameristate Exploration LLC	8. Well No. 1																																	
3. Address of Operator 401 Congress Avenue, Suite 2900, Austin, TX 78701	9. Pool name or Wildcat Pecos River; Morrow																																	
4. Well Location Unit Letter <u> D </u> : <u> 660 </u> Feet From The <u> North </u> Line and <u> 950 </u> Feet From The <u> West </u> Line Section <u> 13 </u> Township <u> 16S </u> Range <u> 26-E </u> NMPM Eddy County																																		
10. Date Spudded 3-31-05	11. Date T.D. Reached 10-1-06	12. Date Compl. (Ready to Prod.) 10-26-06	13. Elevations (DF& RKB, RT, GR, etc.) 3387 GL, 3404 KB	14. Elev. Casinghead																														
15. Total Depth 8025'	16. Plug Back T.D. +/- 7950'	17. If Multiple Compl. How Many Zones? N/A	18. Intervals Drilled By Rotary Tools X Cable Tools	19. Producing Interval(s), of this completion - Top, Bottom, Name 7746-7754'																														
20. Was Directional Survey Made No			21. Type Electric and Other Logs Run Compensated Neutron Density & Cement Bond																															
22. Was Well Cored No			23. CASING RECORD (Report all strings set in well) <table border="1" style="width:100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th>CASING SIZE</th> <th>WEIGHT LB./FT.</th> <th>DEPTH SET</th> <th>HOLE SIZE</th> <th>CEMENTING RECORD</th> <th>AMOUNT PULLED</th> </tr> </thead> <tbody> <tr> <td>13 3/8"</td> <td>54.5#</td> <td>425'</td> <td>17 1/2"</td> <td>465 sks</td> <td></td> </tr> <tr> <td>9 5/8"</td> <td>40#</td> <td>1435"</td> <td>12 1/4"</td> <td>500 sks</td> <td></td> </tr> <tr> <td>7"</td> <td>26#</td> <td>6180'</td> <td>8 3/4"</td> <td>900 sks</td> <td></td> </tr> <tr> <td>4 1/2"</td> <td>11.6#</td> <td>8025'</td> <td>6 1/8"</td> <td>250 sks</td> <td></td> </tr> </tbody> </table>		CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED	13 3/8"	54.5#	425'	17 1/2"	465 sks		9 5/8"	40#	1435"	12 1/4"	500 sks		7"	26#	6180'	8 3/4"	900 sks		4 1/2"	11.6#	8025'	6 1/8"	250 sks	
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26. Perforation record (interval, size, and number) 7746-7754'			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 7746-7754 AMOUNT AND KIND MATERIAL USED 6 spf																															
28. PRODUCTION																																		
Date First Production 10-15-06		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod. or Shut-in) SI																														
Date of Test 10-30-06	Hours Tested 24 hrs	Choke Size 16	Prod'n For Test Period 1	Oil - Bbl 206																														
Gas - MCF 140	Water - Bbl. 0	Gas - Oil Ratio .5																																
Flow Tubing Press. 140	Casing Pressure 0	Calculated 24-Hour Rate 0	Oil - Bbl. 0	Gas - MCF 0																														
Water - Bbl. 0	Oil Gravity - API - (Corr.) 0																																	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented during test. Waiting on pipeline connection.				Test Witnessed By Charles McMahan																														
30. List Attachments Compensated Neutron Density & Cement Bond Log																																		
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 <u>Susan Perkins</u> Printed Name Susan Perkins Title Regulatory Coordinator Date 11-2-06 E-mail Address s.perkins@mdtrn.com																																		

INSTRUCTIONS

This form is to be filed with the appropriate District 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 an 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, forms 2 through 29 shall be reported for each zone. The form is to be filed in triplicate except on state land, where six copies are required. Form 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon 6634	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn 7158	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 7439	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss 7978	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 945	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta 1925	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry 2938	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo 4420	T.	T. Wingate	T.
T. Wolfcamp 5548	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C) 6428	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from...7745 to 7750 No. 3, from.....to.....
No. 2, 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
5548	6428	880'	Limestone + Shale				
6428	7158	730'	Limestone + Shale + Sand				
7158	7439	281'	Limestone + Shale				
7439	7594	155'	Shale + Limestone + Sand				
7594	7858	264'	Limestone + Shale + Sand				
7858	7978	120'	Shale + Silt				
7978	8000	22'	Argillaceous Limestone				