

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No NM 97871
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff Resvr, Other <u>Re-entry</u>		6. If Indian, Allottee or Tribe Name
2. Name of Operator <u>Circle Diamond Drilling, LLC</u>		7. Unit or CA Agreement Name and No
3. Address <u>528 N. Canal #14</u> <u>Carlsbad, NM 88220</u>	3a. Phone No. (include area code) <u>505 706-0269</u>	8. Lease Name and Well No Hav "B" Federal #1
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface <u>2018' FSL & 2176' FWL</u> At top prod. interval reported below <u>Same</u> At total depth <u>Same</u>		9. AFI Well No. <u>30-015-23935</u>
14. Date Spudded <u>11/30/2006</u>		10. Field and Pool, or Exploratory <u>Exploratory</u>
15. Date T.D. Reached <u>07/13/2007</u>		11. Sec, T, R., M., on Block and Survey or Area <u>9, 26S, 27E</u>
16. Date Completed <u>08/29/2007</u> <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		12. County or Parish <u>Eddy</u>
		13. State <u>NM</u>
		17. Elevations (DF, RKB, RT, GL)*

18. Total Depth MD <u>4936'</u> TVD <u>4936'</u>	19. Plug Back T.D.: MD <u>4936'</u> TVD <u>4936'</u>	20. Depth Bridge Plug Set. MD <u>5315'</u> TVD <u>5315'</u>
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) <u>No new logs run on re-entry</u>		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 Cementer Depth	No. of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
17.5	13 3/8" J	54.5	Surface	313'	NA	250 C	59	surface	none
12.25	8 5/8 J	24	Surface	2413'	NA	800 Lite	275	surface	none
						200 C	47		
7.875	5 1/2" J	14	Surface	5840'	NA	675 50/50 Poz	198	1900'	1754'

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	4030'	NA	NA	NA	NA	NA	NA	NA

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A) Lower Cherry Canyon	4060'	4220'	4112'-24'		14	OPEN
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
4112'-4124'	2000 gal. 15% NEFE HCl
4112'-4124'	64,092 gal. brine with 8,000# LiteProp 14/30

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
09/05/2007	09/15/2007	24	→	10	TSTM	42	38		Rod pump
Choke Size NA	Tbg. Press Flwg SI NA	Csg Press. 10#	24 Hr Rate →	Oil BBL 10	Gas MCF TSTM	Water BBL 42	Gas/Oil Ratio TSTA	Well Status	Pumping to test tank

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	

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

ACCEPTED FOR RECORD

OCT - 3 2007

JERRY FANT
PETROLEUM GEOLOGIST

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 (Sold, used for fuel, vented, etc.)

Used for fuel

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) Craig HuberTitle Managing MemberSignature Date 09/24/2007

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.