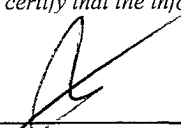


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003
		WELL API NO. 30-015-35677
		5. Indicate Type of Lease STATE ☒ FEE ☐
		State Oil & Gas Lease No. V-302
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 RESVR. ☐ OTHER _____		7. Lease Name or Unit Agreement Name State "2"
2. Name of Operator Reef Exploration, L.P.		8. Well No. 005
3. Address of Operator 1901 N Central Expressway, Suite 300, Richardson, Texas 75080		9. Pool name or Wildcat Livingston Ridge, Delaware, SE
4. Well Location Unit Letter N : 660 Feet From The South Line and 1980 Feet From The West Line Section 2 Township 23S Range 31E NMPM Eddy County		
10. Date Spudded 10/31/2007	11. Date T.D. Reached 11/14/2007	12. Date Compl. (Ready to Prod.) 11/26/2007
13. Elevations (DF& RKB, RT, GR, etc.) 3416 GR		14. Elev. Casinghead 3413.5
15. Total Depth 8550	16. Plug Back T.D. 8501	17. If Multiple Compl. How Many Zones? N/A
18. Intervals Drilled By		Rotary Tools X
19. Producing Interval(s), of this completion - Top, Bottom, Name SEE ATTACHED		20. Was Directional Survey Made -
21. Type Electric and Other Logs Run: Spectral Density, Dual Spaced Neutron Log, Dual Density Laterolog, Micro-Guard, Radial Cement Bond, CCL, GR Log		22. Was Well Cored -
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
13 3/8"	48#	700
8 5/8"	32#	4300
5 1/2"	17#	8550
24. LINER RECORD		25. TUBING RECORD
SIZE	TOP	BOTTOM
26. Perforation record (interval, size, and number) SEE ATTACHMENT		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED See Attachment
PRODUCTION		
Date First Production 01/04/2008		Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping
		Well Status (Prod. or Shut-in) Producing
Date of Test 01/04/2008	Hours Tested 24	Choke Size N/A
Flow Tubing Press. 150	Casing Pressure 50	Calculated 24-Hour Rate
Oil - Bbl. 15		Gas - MCF 11
Water - Bbl. 320		Oil Gravity - API - (Corr.) 37.5
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold		Test Witnessed By Ronald M. Sentz
30. List Attachments Copy of Deviation Report, Triple Combo 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: 	Printed Name: Jose L. Velez E-mail Address jose@reefogc.com	Department: Regulatory Affairs Date: 3/17/2008

INSTRUCTIONS

This form is to be filed with the appropriate District Office 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 all 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, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	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	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....8024.....to.....8055..... No. 3, from.....-.....to.....-.....
 No. 2, from.....8150.....to.....8232..... 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
0	180	180	Shaly sand				
180	380	200	Sand				
380	580	200	Shaly sand				
580	860	280	Anhydritic sandy dolomite				
860	1060	200	Anhydritic sandy dolomite				
1060	2840	1780	Salt w/anhydrite stringers				
2840	4550	1710	Banded limey anhydrite				
4550	4600	50	Limestone				
4600	4650	50	Limestone				
4650	5277	627	Shaly sand, limey sand base				
5277	5352	75	Sandy dolomite				
5352	7294	1942	Shaly sand				
7294	8312	1028	Cleaner sand, some clay/shale				
8312	8450	138	Limestone & limey shale stringers				

19. PRODUCING INTERVAL(s) (Top, Bottom, Name)

Top	Bottom	Name
8024'	8055'	Lower Brushy Canyon
8150'	8232'	Lower Brushy Canyon

26. PERFORATION RECORD (Intervals, size, and number)

Interval	Size	Number (SPF)
8024' to 8028', 8034' to 8036', 8044' to 8055', 8050' to 8055'	.38	1
8150' to 8155', 8179' to 8184', 8204' to 8208', 8219' to 8224', 8229' to 8232'	.38	1

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
8024' to 8055'	25,400 gals SilverStim LT Basic R(11) w/ 45,500# 16/30 Mesh Ottawa Sand coated w/ Expedite Lite
8150' to 8232'	27,800 gals SilverStim LT Basic R(11) w/ 49,000#, 16/30 Ottawa Sand coated w/ Expedite Lite

State "2" #5 Deviation Record

Deviation Record
Type Run: Teledrift
WLS

Depth		Angle
229	WLS	1 3/4°
503	WLS	1°
656	WLS	1 3/4°
963	Teledrift	1/2°
1,391	Teledrift	1/2°
1,835	Teledrift	1/2°
2,310	Teledrift	1/2°
2,753	Teledrift	1/2°
3,228	Teledrift	1/2°
3,679	Teledrift	1°
3,923	Teledrift	1/2°
4,385	WLS	1 1/4°
4,830	Teledrift	1/2°
5,302	Teledrift	1/2°
5,747	Teledrift	1/2°
6,185	Teledrift	1/2°
6,664	Teledrift	1/2°
7,140	Teledrift	1/2°
7,540	Teledrift	1/2°
7,990	Teledrift	1°
8,435	Teledrift	1/2°
8,550	Totco	1/2°