

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

WELL API NO.
30-015-35749
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.
#008

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 L 1980 Feet From The South Line and 660 Feet From The West Line
Section 2 Township 23S Range 31E NMPM Eddy County

10 Date Spudded 11/17/2007 11. Date T.D. Reached 12/02/2007 12. Date Compl. (Ready to Prod.) 01/12/2008 13 Elevations (DF& RKB, RT, GR, etc.) 3411 GL 14 Elev. Casinghead 3409.5

15. Total Depth 8510 16. Plug Back T.D. 8461 17. If Multiple Compl. How Many Zones? N/A 18. Intervals Drilled By Rotary Tools Cable 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	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"		40			
13 3/8"	48	701	17 1/4"		
8 5/8"	32	4380	11"		
5 1/2"	17	8509	7 7/8"		

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	7215	TAC @ 7090
						SN @ 7182	

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 01/12/2008 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping Well Status (Prod. or Shut-in) Producing
Date of Test 01/12/2008 Hours Tested 24 Choke Size N/A Prod'n For Test Period Oil - Bbl 5 Gas - MCF 0 Water - Bbl. 315 Gas - Oil Ratio 0:1
Flow Tubing Press 150 Casing Pressure 50 Calculated 24-Hour Rate Oil - Bbl. 5 Gas - MCF 0 Water - Bbl 315 Oil Gravity - API - (Corr.) 37.5

29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold Test Witnessed By Ronald M. Sents

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
Printed Name: Jose L. Velez Department: Regulatory Affairs Date: 3/12/2008
Signature: [Signature] E-mail Address jose@reefogc.com

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. Drunkard	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.....7234.....to.....7242..... No. 3, from.....7778.....to.....7798.....
 No. 2, from.....7381.....to.....7405..... No. 4, from.....8004.....to.....8183.....

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
7234	7242	Brushy Canyon
7381	7405	Brushy Canyon
7778	7798	Middle Brushy Canyon
8004	8183	Lower Brushy Canyon

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

Interval	Size	Number (SPF)
7234-7242	.38	1
7381-7390, 7400-7405	.38	1
7778-7784, 7792-7798	.38	1
8004-8006, 8011-8018, 8023-8029, 8035-8039, 8047-8050, 8151-8157, 8163-8157, 8180-8183	.38	1

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7234-7242	Frac w/ 14,250 gals SilverStem, 28K# 16/30 sand, w/ Expidite
7381-7405	Frac w/ 25,375 gals, SilverStim 49K# 16/30 sand w/ Expidite
7778-7798	Frac w/ 21,375 gals SilverStim, w/ 42K# 16/30 sand w/ Expidite
8004-8183	Frac w/ 42,000 gals SilverStim Basic (11), 100K# 16/30 sand w/ Expidite

State "2" #008

Deviation Record

Type Run: Teledrift
WLS

Depth		Angle
253	WLS	1/2°
504	WLS	3/4°
655	WLS	1°
924	Teledrift	1/2°
1,275	Teledrift	1/2°
1,685	Teledrift	1/2°
2,127	Teledrift	1/2°
2,649	Teledrift	1/2°
3,060	Teledrift	1/2°
3,505	Teledrift	1/2°
3,916	Teledrift	2°
4,380	Totco	1°
4,830	Teledrift	1/2°
5,239	Teledrift	1/2°
5,680	Teledrift	1°
6,160	Teledrift	1/2°
6,602	Teledrift	1°
7,047	Teledrift	1°
7,460	Teledrift	1°
7,880	Teledrift	1°
8,510	WLS	1°