Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

5. Lease Serial No: **NM 2746**

1a Type of Well: ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr,. ☐ Other

6. If Indian, Allottee or Tribe Name:

7. If Unit or CA Agreement, Name and No.:

2. Name of Operator: **BURNETT OIL,CO.,INC.**

8. Lease Name and Well No.: **GISSLER #2**

3. Address: **801 CHERRY ST.1500 UNIT #9 FORTWORTH,TX 76102**

3a. Phone No. *(include area code)*: **(817) 332-5108**

9 API Well No: **30-015-36003**

4. Location of Well *(Report location clearly and in accordance with Federal requirements.*)*

At Surface: **UNIT O, 330' FSL,1800' FEL**

At top prod. inverval reported below

At total depth: **SAME AS SURFACE**

JUN 02 2008
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10. Field and Pool, or Exploratory: **LOCO HILLS PADDOCK**

11 Sec., T., R., M., on Block and Survey or Area: **SEC 11, T17S, R30E**

12. County or Parish: **EDDY CTY** 13. State: **NM**

14. Date Spudded	15. Date T. D. Reached	16. Date Completed	17. Elevations (DF, RKB, RT, GL)*
02/07/2008	2/17/2008	5/01/2008 ☐ D&A ☒ Ready to Prod.	3731'

18 Total Depth: MD / TVD	19. Plug Back T.D.: MD / TVD	20. Depth Bridge Plug Set: MD / TVD
5650' TVD	5622' TVD	N/A

21. Type Electric & Other Mechanical Logs Run (Submit copy of each): **DLL,MICRO-G,SD,DSN, SPEC GR,**

22. Was well cored? ☐ No ☒ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ 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
14.75"	10.75" H	32.75#		336'		1235 SX C	479	SURFACE	0
8.75"	7" J	23.00#		5653'	2650'	2225 SX C	665	SURFACE	0

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"	4921'	4577' TAC						

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A)	LOCO HILLS PADDOCK	4560'	5094'	4598' TO 4842'		28	2SPF
B)							
C)							
D)							

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

Depth Interval	Amount and Type of Material
4598'-4842'	2500 GALS 15% NEFE ACID
4598'-4842'	70,339 GALS WFG-R33, 38,619 GALS HEATED 20% HCL, 22,013 GAL F/W FLUSH

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
5/01/200 8	5/11/200 8	24	→	18	78	1298	37.0		Pumping

Choke Size	Tbg. Press Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status
			→					

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 reverse side)

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.)*

Sold through Gissler #1 Battery to DCP Midstream

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
SA	3853'		DOLO, SL VUG, 55% YEL FLU	ALLUVIUM	SURFACE
YESO	4575'		DOLO, VUG. FRAC, 15% YEL FLU	ANHYDRITE	292'
YESO	4605'		SLTSTN GRY, ARG, DIAT, O% FLU NO CUT	SALT	460'
YESO	4695'		DOLO, VUG 90% YEL FLU	BASE SALT	1210'
YESO	4735'		DOLO, SL VUG,20% YEL FLU	SEVEN RIVERS	1695'
	4775'		DOLO, VUG 15% YEL FLU	QUEEN	2284'
	4808'		DOLO, PP, 65% YEL FLU	GRAYBURG	2680'
	4821'		DOLO, PP, STY , 20% YEL FLU	SAN ANDRES	2980'
	4842'		DOLO, PP, 80% YEL FLU	GLORIETA	4450'
	5044'		DOLO, PP, 65% YEL FLU	YESO	4560'
	5067'		DOLO, SL ANHY, 65% YEL FLU		
	5148'		DOLO, SL ANHY, 60% YEL GLD FLU		
	5171'		DOLO, SL ANHY, 75% YEL FLU		
	5243'		DOLO, PP 60% YEL FLU		
	5258'		DOLO, 80% YEL FLU		
	5281'		DOLO, 65% YEL FLU		
	5297'		DOLO, TR YEL FLU		
YESO	5506'		DOLO, PP, 0% FLU TR CUT		

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: **DEVIATION SURVEY**

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)* MARK A. JACOBY Title ENGINEERING MANAGER

Signature Marka Jacoby Date 5/28/2008

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.

(Continued on page 3)

JUN 02 2008
OCD-ARTESIA

WELL NAME AND NUMBER **Gissler #2**
LOCATION **Section 11, T17S, R30E, 330 FSL, 1800 FEL, Eddy County**
OPERATOR **Burnnet Oil Co. Inc.**
DRILLING CONTRACTOR *United Drilling, Inc.*

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation test and obtained the following results:

Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
1 @ 498'		
2-1/4 @ 1001'		
5-1/4 @ 1477'		
8 @ 1806'		
6 @ 1996'		
1 @ 2573'		
1 @ 3056'		
1-3/4 @ 3531'		
1-1/2 @ 4007'		
3/4 @ 4482'		
1-3/4 @ 4957'		
1-1/2 @ 5432'		

UNITED DRILLING, INC.

By: Luisa Garcia
(Luisa Garcia)

Title: Assistant Office Manger

Subscribed and sworn to before me this 21 day of February, 2008

Notary Public

Chaves , NM
County State

My Commission Expires:

10-8-08

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CORE ANALYSIS REPORT

FOR

BURNETT OIL COMPANY

GISSLER NO. 2
LOCO HILLS PADDOCK FIELD
EDDY COUNTY, NEW MEXICO

Core Lab
RESERVOIR OPTIMIZATION

PETROLEUM SERVICES

Core Lab
RESERVOIR OPTIMIZATION

Petroleum Services Division
2001 Commerce
Midland, Texas 79703
Tel· (432) 694-7761
Fax (432) 694-3191
www.corelab.com

February 27, 2008

BURNETT OIL COMPANY
Burnett Plaza
801 Cherry Street Unit #9
Suite 1500
Fort Worth, Texas 76102-6881

File No: 57181-19458
Subject: Drilled Sidewall Analysis
Gissler No. 2
Loco Hills Paddock Field
Eddy County, New Mexico

Gentlemen:

Sidewall Core Analysis was made on 21 drilled sidewall core samples received from Halliburton.

Samples were photographed under both ultraviolet and natural light. Digital core photographs are contained on CD.

Gas expansion porosity and grain density were determined using Boyle's Law. Saturation data and cleaning was obtained using Dean Stark distillation.

Gas detection was measured using a "Hot Wire Gas Detector" on gas in the sealed containers.

Air permeability was measured horizontally on drilled sidewalls.

Descriptions and fluorescence were visually determined microscopically.

The samples will be returned to client.

We trust these data will be useful in the evaluation of your property and thank you for the opportunity of serving you.

Very truly yours,
CORE LABORATORIES

John Sebian
Laboratory Supervisor

JS/ym

CORE LABORATORIES

Company : BURNETT OIL COMPANY
Well : GISSLER NO. 2
Location : 330' FSL & 1800' FEL, SEC. 11, T-17-S, R-30-E
Co,State : EDDY COUNTY, NEW MEXICO

Field : LOCO HILLS PADDOCK FIELD
Formation : LOCO HILLS PADDOCK
Coring Fluid : BRINE
Elevation : 3743' KB

File No.: 57181-19458
Date : 2/25/08
API No. : 30-015-36003
Analysts: FULLINWIDER

SIDEWALL CORE ANALYSIS RESULTS

SAMPLE NUMBER	DEPTH ft	Sample Rec. in.	PERMEABILITY (HORIZONTAL) Kair md	POROSITY (HELIUM) %	SATURATION (PORE VOLUME) OIL %	SATURATION (PORE VOLUME) WATER %	SATURATION (BULK VOLUME) OIL %	SATURATION (BULK VOLUME) GAS %	GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
DRILLED SIDEWALL ANALYSIS											
1	3853.0	1.5	0.21	7.3	14.7	24.3	1.1	4.5	2.83	17.	Dolo, sl vug, 55% yel flu
2	4575.0	1.0	7.03	5.9	11.6	19.5	0.7	4.1	2.86	20.	Dolo, vug, frac, 15% yel flu
3	4605.0	0.8	1.19	48.5	0.0	98.3	0.0	0.8	2.48	0.	Sltstn gry, arg, diat, 0% flu no cut
4	4695.0	1.0	8.55	11.6	17.5	41.9	2.0	4.7	2.85	60.	Dolo, vug, 90% yel flu
5	4735.6	1.5	2.12	13.5	13.1	41.5	1.8	6.1	2.85	210.	Dolo, sl vug, 20% yel flu
6	4775.0	0.8	0.22	5.9	7.6	24.7	0.4	4.0	2.86	9.	Dolo, vug, 15% yel flu
7	4808.0	1.5	10.7	9.9	13.2	25.8	1.3	6.0	2.85	50.	Dolo, pp, 65% yel flu
8	4821.0	1.3	2.45	6.6	11.8	34.6	0.8	3.5	2.84	20.	Dolo, pp, sty, 20% yel flu
9	4842.0	1.0	22.2	12.8	16.1	32.1	2.1	6.6	2.84	140.	Dolo, pp, 80% yel flu
10	5044.0	1.2	0.07	5.0	15.0	18.0	0.8	3.4	2.85	70.	Dolo, pp, 65% yel flu
11	5067.0	0.8	0.12	5.8	13.8	24.0	0.8	3.6	2.86	80.	Dolo, sl anhy, 65% yel flu
12	5148.0	1.5	0.04	3.1	14.7	23.3	0.5	1.9	2.86	65.	Dolo, sl anhy, 60% yel gld flu
13	5171.0	1.5	0.44	5.6	19.2	20.0	1.1	3.4	2.86	65.	Dolo, sl anhy, 75% yel flu
14	5243.0	1.5	0.25	7.2	13.3	24.8	1.0	4.5	2.84	45.	Dolo, pp, 60% yel flu
15	5258.0	1.0	1.58	7.3	17.3	34.1	1.3	3.5	2.81	80.	Dolo, 80% yel flu
16	5281.0	1.5	0.76	4.1	17.8	38.9	0.7	1.8	2.83	30.	Dolo, 65% yel flu
17	5297.0	1.5	0.01	1.4	1.6	76.9	0.0	0.3	2.82	1.	Dolo, tr yel flu
18	5326.0	1.5	0.01	2.4	1.5	52.2	0.0	1.1	2.85	8.	Dolo, 0% flu sl tr cut
19	5366.0	1.3	0.01	2.5	5.3	53.2	0.1	1.0	2.83	0.	Dolo, sl anhy, sl pp, tr yel flu
20	5457.0	1.5	0.04	5.6	15.6	41.1	0.9	2.4	2.83	1.	Dolo, 45% yel flu
21	5506.0	1.5	<.01	2.3	1.8	65.4	0.0	0.8	2.82	0.	Dolo, pp, 0% flu tr cut

LITHOLOGICAL ABBREVIATIONS

Anhy, anhy	Anhydrite (-ic)
Ark, ark	arkos (-ic)
bnd	band (-ed)
brec	breccia
Calc, calc	calcite (-ic)
carb	carbonaceous
crs gr	course grained
Chk, chky	chalk (-y)
Cht, cht	chert (-y)
Cgl, cgl	conglomerate (-ic)
crs xln	coursely crystalline
dns	dense
Dol, dol	dolomite (-ic)
Frac	randomly oriented fractures
frac	slightly fractured
f gr	fine grained
foss	fossil (-iferous)
f xln	finely crystalline
Gil, gil	gilsonite
Glauc, clauc	glauconite (-itic)
Grt	granite
Gyp, gyp	gypsum (-iferous)
hor frac	perdominantly horizontally fractured
incl	inclusion (-ded)
intbd	interbedded
lam	lamina (-tions,-ated)
Lim, lim	limestone
med gr	medium grain
Mtrx	matrix
NA	interval not analyzed
Nod, nod	nodules (-ar)
Ool, ool	oolite (-itic)
Piso, piso	pisolite (-itic)
pp	pin-point (porosity)
Pyr, pyr	pyrite (-itized, itic)
Sd, sdy	sand (-y)
Shr	solid hydrocarbon residue
sli/	slightly
Sltstn, slty	siltstone, silty
styl	stylolite (-itic)
suc	sucrosic
Su, su	sulphur, sulphurous
TBFA	TOO BROKEN FOR ANALYSIS
Trip, trip	tripolitic
v/	very
vert frac	perdominantly vertically fractured
vug	vuggy
xbd	crossbedded
xln	medium crystalline
xtl	crystal

THE FIRST WORD IN THE DESCIPTION COLUMN OF THE CORE ANALYSIS REPORT DESCIBES THE ROCK TYPE. FOLLOWING ARE ROCK MODIFIERS IN DECREASING ABUNDANCE AND MISCELLANEOUS DESCRIPTIVE TERMS.