

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. NM-26684-A
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 _____		6. If Indian, Allottee or Tribe Name
2. Name of Operator Unit Petroleum Company		7. Unit or CA Agreement Name and No.
3. Address 407 N. Big Spring, Ste 101 Midland, TX 79701	3a. Phone No. (include area code) 432-685-9020	8. Lease Name and Well No. Gourley Federal #3 Q
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1650' FNL & 810' FEL, Sec 28-T22S-R28E, Eddy County, New Mexico At top prod. interval reported below Same At total depth Same		9. AFI Well No. 30-015-34152 0051
14. Date Spudded 09/03/2005		10. Field and Pool, or Exploratory Dublin Ranch-Morrow Gas
15. Date T.D. Reached 10/23/2005		11. Sec., T., R., M., on Block and Survey or Area Sec 28, T22S-R28E
16. Date Completed 02/14/2006 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		12. County or Parish Eddy
17. Elevations (DF, RKB, RT, GL)* 3,083.5' KB		13. State NM
18. Total Depth: MD 12,775 TVD	19. Plug Back T.D.: MD 12,727 TVD	20. Depth Bridge Plug Set: MD TVD
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) Baker Hughes Densilog/Neutron/Gamma Ray & DLL/MLL/GR		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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.5"	13.3 H40	48	0	400	None	440 Cls "C"	105	Circ to Surface	None
12.25"	9 5/8 J55	40	0	6,350	None	1700 "C"+	705	Circ to Surface	None
8.75"	5.5/P110	17	0	12,775	None	990 50/50 "H"	385	Calc to 6,800'	None

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	12,002	12,002						

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Morrow	12.152	12,662	12,152-65', 12,322-42,	.42"	86	Open
B)			12,652-62'			
C)						
D)						

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

Depth Interval	Amount and Type of Material
12,152' - 12,662' Morrow	Fracture w/53,400 gal 70Q Binary Foam & 45K lbs Ultra 20/40 Prop

RECEIVED

APR 17 2006

OCD-ARTESIA

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
02/14/2006	02/23/2006	24	→	0	89	0		.698	Flowing
Choke Size 48/64	Tbg. Press. Flwg. SI 584	Csg. Press. 0	24 Hr. Rate →	Oil BBL 0	Gas MCF 89	Water BBL 0	Gas/Oil Ratio NA	Well Status	Shut-in 2/25/2006, not capable of production, wait on WSU

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 SI	Tbg. Press. Flwg. None	Csg. Press. None	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
DAVID R. GLASS
APR 13 2006
DAVID R. GLASS
PETROLEUM ENGINEER

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

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
Atoka Morrow	11,398 12,117	11,518 12,775	Possible Hydrocarbon zone Gas Zone	Brushy Canyon Bonesprings Wolfcamp Strawn Atoka Morrow Lower Morrow	3,880' 6,050' 9,400' 11,169' 11,398' 12,117' 12,442'

32. Additional remarks (include plugging procedure):

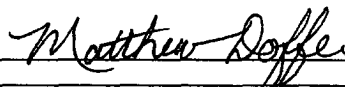
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ 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) Matthew DofferTitle District Engineer

Signature

Date 04/06/2006

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.



DRILLING INC. Oil Well Drilling Contractor

Post Office Box 160 • Artesia, NM 88211-0160 • Office (505) 748-8704 • Fax (505) 748-8719

October 27, 2005

Unit Petroleum Co
407 N Big Spring, Suite 100
Midland, Texas 79701

Re: Gourley Federal #3
Section 28, T-22-S, R-27-E
Eddy County, New Mexico

The following is a Deviation Survey on the above referenced well in Eddy County, New Mexico:

110' - 1/2°	2156' - 2 1/4°	4625' - 3/4°	8374' - 2 1/4°
380' - 3/4°	2250' - 2 1/4°	4865' - 3/4°	8530' - 1 3/4°
507' - 1°	2312' - 2 1/2°	5145' - 1°	8780' - 1 1/4°
677' - 3/4°	2406' - 1 3/4°	5426' - 1/2°	9030' - 1 1/4°
908' - 2°	2532' - 1°	5926' - 1/2°	9125' - 1 1/2°
1002' - 2°	2657' - 3/4°	6318' - 1/4°	9466' - 1 1/2°
1096' - 1 3/4°	2814' - 3/4°	6622' - 2°	9810' - 1 1/4°
1190' - 1 1/2°	2970' - 1/2°	6716' - 2 1/4°	10,276' - 1/2°
1315' - 1°	3281' - 1/2°	6809' - 2 3/4°	10,543' - 3/4°
1439' - 1/2°	3500' - 1/2°	6903' - 2°	11,029' - 3°
1751' - 2 1/4°	3751' - 1°	7247' - 1 1/4°	11,310' - 6°
1876' - 2 1/2°	3907' - 3/4°	7560' - 1°	11,474' - 4 1/4°
1938' - 2°	4126' - 1/2°	8030' - 1 3/4°	11,692' - 4 1/4°
2063' - 2 1/2°	4376' - 1/2°	8280' - 3°	11,906' - 3 1/2°
			12,313' - 2°
			12,775' - 2°

Sincerely,

Gary W Chappell
Contracts Manager

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

The foregoing was acknowledged before me this 27th day of October, 2005 by Gary W Chappell.

MY COMMISSION EXPIRES

June 19th, 2007

NOTARY PUBLIC