

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies  
**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
811 South First, Artesia, NM 88210

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Form C-105  
Revised 1-1-89

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-015-34496                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>E-742                                                               |

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

|                                                                                                                                                                                                                              |                                  |                                                        |                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------|-------------------------------------------------------------|
| 1. Type of Well:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____                                                                                  |                                  | 7. Lease Name or Unit Agreement Name<br>Mesquite State |                                                             |
| b. Type of Completion:<br>NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> Deepen <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____ |                                  | 8. Well No.<br>15                                      |                                                             |
| 2. Name of Operator<br>COG Operating LLC                                                                                                                                                                                     |                                  | 9. Pool name or Wildcat<br>Empire; Yeso, East-96610    |                                                             |
| 3. Address of Operator<br>550 W. Texas, Suite 1300, Midland, TX 79701                                                                                                                                                        |                                  | MAY 22 2006<br>JULY-ARTESIA                            |                                                             |
| 4. Well Location<br>Unit Letter <u>L</u> : <u>1750</u> Feet From The <u>South</u> Line and <u>990</u> Feet From The <u>West</u> Line<br>Section <u>20</u> Township <u>17S</u> Range <u>29E</u> NMPM <u>Eddy</u> County       |                                  |                                                        |                                                             |
| 10. Date Spudded<br>3/12/2006                                                                                                                                                                                                | 11. Date TD Reached<br>3/25/2006 | 12. Date Compl. (Ready to Prod.)<br>4/17/2006          | 13. Elevations (DF & RKB, RT, GR, etc.)<br>3653' RKB        |
| 14. Elev. Casinghead<br>3637 GR                                                                                                                                                                                              |                                  |                                                        |                                                             |
| 15. Total Depth<br>5415                                                                                                                                                                                                      | 16. Plug Back TD<br>5396         | 17. If Multiple Compl. How Many Zones?                 | 18. Intervals Drilled By<br>Rotary Tools Yes<br>Cable Tools |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name<br>4336.5-5288.5', Yeso                                                                                                                                    |                                  |                                                        | 20. Was Directional Survey Made<br>Yes                      |
| 21. Type Electric and Other Logs Run<br>Gamma Ray, Neutron, Density, Lateralog, Spectral Gamma Ray                                                                                                                           |                                  |                                                        | 22. Was Well Cored<br>No                                    |

**CASING RECORD (Report all strings set in well)**

| CASING SIZE  | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|--------------|----------------|-----------|-----------|------------------|---------------|
| 13 3/8, H-40 | 48             | 352       | 17 1/2    | 425sx            | None          |
| 8 5/8, J-55  | 24             | 805       | 12 1/4    | 600sx            | None          |
| 5 1/2, J-55  | 17             | 5410      | 7 7/8     | 1255sx           | None          |
|              |                |           |           |                  |               |
|              |                |           |           |                  |               |

| 24. LINER RECORD |     |        |              | 25. TUBING RECORD |       |           |
|------------------|-----|--------|--------------|-------------------|-------|-----------|
| SIZE             | TOP | BOTTOM | SACKS CEMENT | SCREEN            | SIZE  | DEPTH SET |
|                  |     |        |              |                   | 2 7/8 | 5308      |
|                  |     |        |              |                   |       |           |
|                  |     |        |              |                   |       |           |

|                                                                                 |                                                 |                               |
|---------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|
| 26. Perforation record (interval, size, and number)<br>4336.5-5288.5', .42, 190 | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. |                               |
|                                                                                 | DEPTH INTERVAL                                  | AMOUNT AND KIND MATERIAL USED |
|                                                                                 | 4336.5-5288.5'                                  | See C-103 for detail          |

|                                    |                          |                                                                                             |                        |                  |                    |                                             |                         |
|------------------------------------|--------------------------|---------------------------------------------------------------------------------------------|------------------------|------------------|--------------------|---------------------------------------------|-------------------------|
| <b>28. PRODUCTION</b>              |                          |                                                                                             |                        |                  |                    |                                             |                         |
| Date First Production<br>4/21/2006 |                          | Production Method (Flowing, gas lift, pumping - Size and type pump)<br>2 1/2 x 2 x 24' pump |                        |                  |                    | Well Status (Prod. or Shut-in)<br>Producing |                         |
| Date of Test<br>5/9/2006           | Hours Tested<br>24 hours | Choke Size                                                                                  | Prod'n For Test Period | Oil - Bbl.<br>76 | Gas - MCF<br>125   | Water- Bbl.<br>410                          | Gas - Oil Ratio<br>1645 |
| Flow Tubing Press.                 | Casing Pressure          | Calculated 24-Hour Rate                                                                     | Oil - Bbl.<br>76       | Gas - MCF<br>125 | Water- Bbl.<br>410 | Oil Gravity - API - (Corr.)<br>42           |                         |

|                                                                    |                                      |
|--------------------------------------------------------------------|--------------------------------------|
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)<br>Sold | Test Witnessed By<br>Robert C. Chase |
|--------------------------------------------------------------------|--------------------------------------|

|                                                   |
|---------------------------------------------------|
| 30. List Attachments<br>Deviation Survey and Logs |
|---------------------------------------------------|

|                                                                                                                                        |                                   |                           |                   |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------------|-------------------|
| 31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief |                                   |                           |                   |
| Signature<br><u>Jerry W. Sherrell</u>                                                                                                  | Printed Name<br>Jerry W. Sherrell | Title<br>Production Clerk | Date<br>5/19/2006 |

## 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 _____ 790       | T. Miss _____          | T. Cliff House _____        | T. Leadville _____     |
| T. 7 Rivers _____ 1060   | T. Devonian _____      | T. Menefee _____            | T. Madison _____       |
| T. Queen _____ 1642      | T. Silurian _____      | T. Point Lookout _____      | T. Elbert _____        |
| T. Grayburg _____ 2020   | T. Montoya _____       | T. Mancos _____             | T. McCracken _____     |
| T. San Andres _____ 2300 | T. Simpson _____       | T. Gallup _____             | T. Ignacio Otzte _____ |
| T. Glorieta _____ 3778   | 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. Permain _____            | T. _____               |
| T. Cisco (Bough C) _____ | T. _____               | T. Penn "A" _____           | T. _____               |

## OIL OR GAS SANDS OR ZONES

No. 1, from ..... to .....  
No. 2, from ..... to .....  
No. 3, from ..... to .....  
No. 4, from ..... to .....

## IMPORTANT WATER SANDS

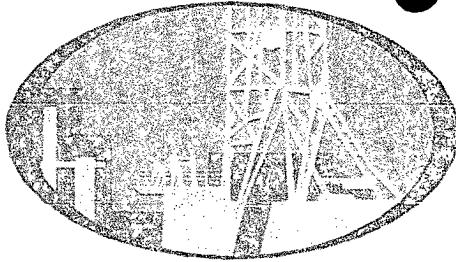
**Include data on rate of water inflow and elevation to which water rose in hole.**

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<br>in Feet | Lithology |
|------|----|----------------------|-----------|
|      |    |                      |           |

| From | To | Thickness<br>in Feet | Lithology |
|------|----|----------------------|-----------|
|      |    |                      |           |



# Silver Oak Drilling, LLC

PO Box 1370  
Artesia, NM 88211-1370

March 30, 2006

COG, LLC  
c/o Mack Energy Corporation  
PO Box 960  
Artesia, NM 88211-0960

RE: Mesquite St #15  
1750' FSL & 990' FWL  
Sec. 20, T17S, R29E  
Eddy County, New

Mexico

Dear Sir,

The following is the Deviation Survey for the above captioned well from 3/1/06 to TD.

| DEPTH | DEVIATION | DEPTH | DEVIATION |
|-------|-----------|-------|-----------|
| 482'  | 3/4°      | 2835' | 1 3/4°    |
| 906'  | 1°        | 3116' | 1 1/4°    |
| 1217' | 3/4°      | 3580' | 1°        |
| 1437' | 1/2°      | 4017' | 1°        |
| 1867' | 1 1/4°    | 4360' | 1°        |
| 2067' | 1°        | 4703' | 1°        |
| 2274' | 1°        | 5149' | 1 1/4°    |
| 2503' | 1°        | 5373' | 1 1/2°    |

Very truly yours,

Eddie C. LaRue  
Operations Manager

State of New Mexico }  
County of Eddy }

The foregoing was acknowledged before me this 30<sup>th</sup> day of March, 2006.

My Commission Expires: 8/30/08

  
\_\_\_\_\_  
Notary Public