

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
ARTESIAFORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | | | | | | | |
|--|----------------------------|--|--------------------|---|-------------------------|--|--------------------------|-------------------|-------------------|
| 1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other | | | | | | 5. Lease Serial No. NM-29281 | | | |
| 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 COG Operating LLC | | | | | | 7. Unit or CA Agreement Name and No. --- | | | |
| 3. Address 550 W. Texas, Suite 1300, Midland, TX 79701 | | | | 3a. Phone No. (include area code) 432-685-4340 | | 8. Lease Name and Well No. Schley Federal #16 | | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 1600' FNL & 2235' FWL, Unit F At top prod. interval reported below At total depth | | | | | | 9. AFI Well No. 30-015-34888 | | | |
| 14. Date Spudded 08/20/2006 | | 15. Date T.D. Reached 09/10/2006 | | 16. Date Completed 10/06/2006 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. | | 10. Field and Pool, or Exploratory Empire Yeso | | | |
| 18. Total Depth: MD 5,674' TVD | | 19. Plug Back T.D.: MD 5,695' TVD | | 20. Depth Bridge Plug Set: MD None TVD | | 11. Sec., T., R., M., on Block and Survey or Area Sec 19, T17S, R29E | | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CN / HNGS, Micro CFL / HNGS | | | | | | 12. County or Parish Eddy | | | |
| | | | | | | 13. State NM | | | |
| | | | | | | 17. Elevations (DF, RKB, RT, GL)* 3606' GL | | | |
| 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 Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
| 17-1/2 | 13-3/8 | 48 | | 341 | | 580 sx Cl C | | Surface | |
| 12-1/4 | 8-5/8 | 24 | | 850 | | 600 sx Cl C | | Surface | |
| 7-7/8 | 5-1/2 | 17 | | 5688 | | 1780 sx Cl C | | Surface | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 24. Tubing Record | | | | | | | | | |
| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | |
| 2-7/8 | 4969 | None | | | | | | | |
| 25. Producing Intervals | | | | | | | | | |
| Formation | | Top | Bottom | Perforated Interval | | Size | No. Holes | Perf. Status | |
| A) Yeso | | | | 4652' - 4705.5' | | 2 SPF | 38 | Open | |
| B) Yeso | | | | 4851' - 4950' | | 2 SPF | 48 | Open | |
| C) | | | | | | | | | |
| D) | | | | | | | | | |
| 26. Perforation Record | | | | | | | | | |
| 27. Acid, Fracture, Treatment, Cement Squeeze, etc. | | | | | | | | | |
| Depth Interval | | Amount and Type of Material | | | | | | | |
| 4652' - 4705.5' | | Acidize w/ 2500 gals acid | | | | | | | |
| | | Frac w/ 94,794 gals gel, 8039# LiteProp, 91,060# 16/30 sand. | | | | | | | |
| 4851' - 4950' | | Acidize w/ 3000 gals acid | | | | | | | |
| | | Frac w/ 36,762 gals 30# gel, 8000# LiteProp, 91,500 16/30 sand, & 60,819 gals 40# gel. | | | | | | | |
| 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 |
| 10/10/2006 | 10/10/2006 | 24 | → | 139 | 127 | 312 | 40.4 | | Pumping |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| | | | → | | | | | Producing | |
| 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 page 2)

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 |
|------------|------|--------|------------------------------|------|--------------------|
| Queen | 1662 | | | | |
| Grayburg | 2052 | | | | |
| San Andres | 2362 | | | | |
| Glorieta | 3842 | | | | |
| Yeso | 3944 | | | | |

32. Additional remarks (include plugging procedure):

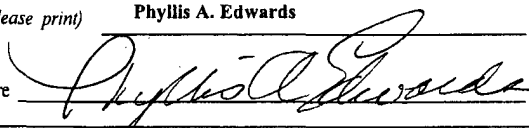
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ 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) **Phyllis A. Edwards**Title **Regulatory Analyst**

Signature



Date

11/21/2006

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.



S

Silver Oak Drilling, LLC

PO Box 1370
Artesia, NM 88211-1370
505/748-1288



September 18, 2006

COG, LLC
Fasken Center, Tower II
550 West Texas Ave, Suite 1300
Midland, TX 79701

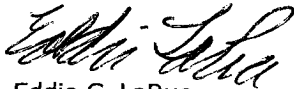
RE: Schley Federal #16
1600' FNL & 2235' FWL
Sec. 29, T17S, R29E
Eddy County, New Mexico

Dear Sir,

The following is the Deviation Survey for the above captioned well.

| <u>DEPTH</u> | <u>DEVIATION</u> | <u>DEPTH</u> | <u>DEVIATION</u> |
|--------------|------------------|--------------|------------------|
| 345' | 3/4° | 3485' | 2 1/4° |
| 589' | 1/2° | 3563' | 2 1/4° |
| 1146' | 1/2° | 3800' | 2 1/4° |
| 1458' | 3/4° | 3920' | 2 1/4° |
| 1835' | 1 1/2° | 4076' | 2 1/4° |
| 1991' | 1° | 4201' | 2° |
| 2333' | 1 1/2° | 4511' | 1 1/2° |
| 2615' | 1 3/4° | 4840' | 1 3/4° |
| 2803' | 1 1/2° | 5150' | 1 3/4° |
| 2991' | 2° | 5373' | 1 3/4° |
| 3115' | 1 1/2° | 5695' | 3 1/4° |
| 3299' | 1 3/4° | | |

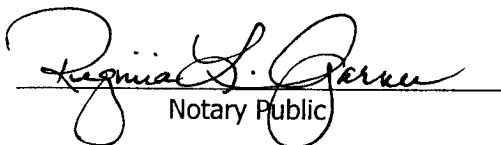
Very truly yours,



Eddie C. LaRue
Operations Manager

State of New Mexico }
County of Eddy }

The foregoing was acknowledged before me this 18th day of September, 2006.



Regina L. Garner
Notary Public

