

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		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003	
				WELL API NO. 30-015-35113	
				5. Indicate Type of Lease STATE X FEE ☐	
				State Oil & Gas Lease No. V-3361	
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐				7. Lease Name or Unit Agreement Name KARLSBAD CORRAL 2	
b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR. ☐				8. Well No. 8-H	
2. Name of Operator SOUTHWESTERN ENERGY PRODUCTION COMPANY				9. Pool name or Wildcat CORRAL CANYON DELAWARE NW 96464	
3. Address of Operator 2350 N. Sam Houston Pkwy., E., Suite 300 Houston, TX 77032					
4. Well Location Unit Letter <u>L</u> : 2510 Feet From The <u>S</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>2</u> Township <u>25S</u> Range <u>29E</u> NMPM <u>Eddy</u> County					
10. Date Spudded 09/16//2006		11. Date T.D. Reached 10/13/2006		12. Date Compl. (Ready to Prod.) 11/03/2006	
				13. Elevations (DF& RKB, RT, GR, etc.) 3018' GL	
15. Total Depth 7700'		16. Plug Back T.D. 7608'		17. If Multiple Compl. How Many Zones? N/A	
				18. Intervals Drilled By Rotary Tools 0-7700'	
19. Producing Interval(s), of this completion - Top, Bottom, Name 5529'-7241' Cherry Canyon				20. Was Directional Survey Made Yes	
21. Type Electric and Other Logs Run No electric logs run				22. Was Well Cored No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE		WEIGHT LB./FT.		DEPTH SET	
16"		Conductor		40'	
9-5/8"		36#		778'	
5-1/2"		17#		7700'	
24. LINER RECORD					
SIZE		TOP		BOTTOM	
25. TUBING RECORD					
SIZE		DEPTH SET		PACKER SET	
2-7/8"		4801'		N/A	
26. Perforation record (interval, size, and number) 5734'-7541'', 53 Shots					
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.					
DEPTH INTERVAL			AMOUNT AND KIND MATERIAL USED		
5734'- 7541'			Acd w/ 6000 gal 15%		
			Frac w/ 208,010 lbs proppant & 3481 bbls fluid		
28. PRODUCTION					
Date First Production 11/04/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) PUMPING			Well Status (Prod. or Shut-in) PROD.
Date of Test 11/21/2006	Hours Tested 24	Choke Size OPEN	Prod'n For Test Period Oil - Bbl 93	Gas - MCF 105	Water - Bbl. 232
Flow Tubing Press. 145	Casing Pressure 200	Calculated 24-Hour Rate	Oil - Bbl. 93	Gas - MCF 105	Water - Bbl. 232
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By BRUCE DRUMMOND
30. List Attachments					
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					
Signature Martha C Howard		Printed Name Martha C. Howard		Staff Regulatory Analyst Date 1/4/07	
E-mail Address Martha_Howard@SWN.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. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T. Bell Canyon 3232	T. Wingate	T.
T. Wolfcamp	T.Cherry Canyon 4060	T. Chinle	T.
T. Penn	T. Salado	T. Permian	T.
T. Cisco (Bough C)	T. Lamar 3201	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 3, from.....to.....

No. 2, 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 In Feet	Lithology
3200	7700	4500	Sand, Shale, LS, Dolomite, Anhydrite

OPERATOR
WELL/LEASE
COUNTY

Southwest Energy
Karlsbad Corral 2-8H
Eddy Co, N.M.

055-0046

STATE OF NEW MEXICO
DEVIATION REPORT

384	1.00
799	0.50
1,091	0.75
2,782	1.75
3,104	1.50
3,611	1.50
3,829	1.00
4,046	0.75

STATE OF TEXAS

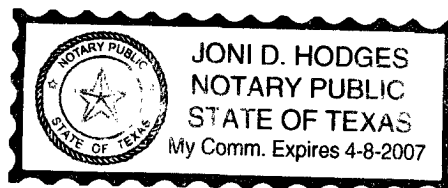
COUNTY OF MIDLAND

BY: Steve Moore

The foregoing instrument was acknowledged before me on
Moore on behalf of Patterson-UTI Drilling Company LP, LLLP.

October 19, 2006, by Steve

Joni D. Hodges
Notary Public for Midland County, Texas
My Commission Expires: 4/08/07



Survey Report

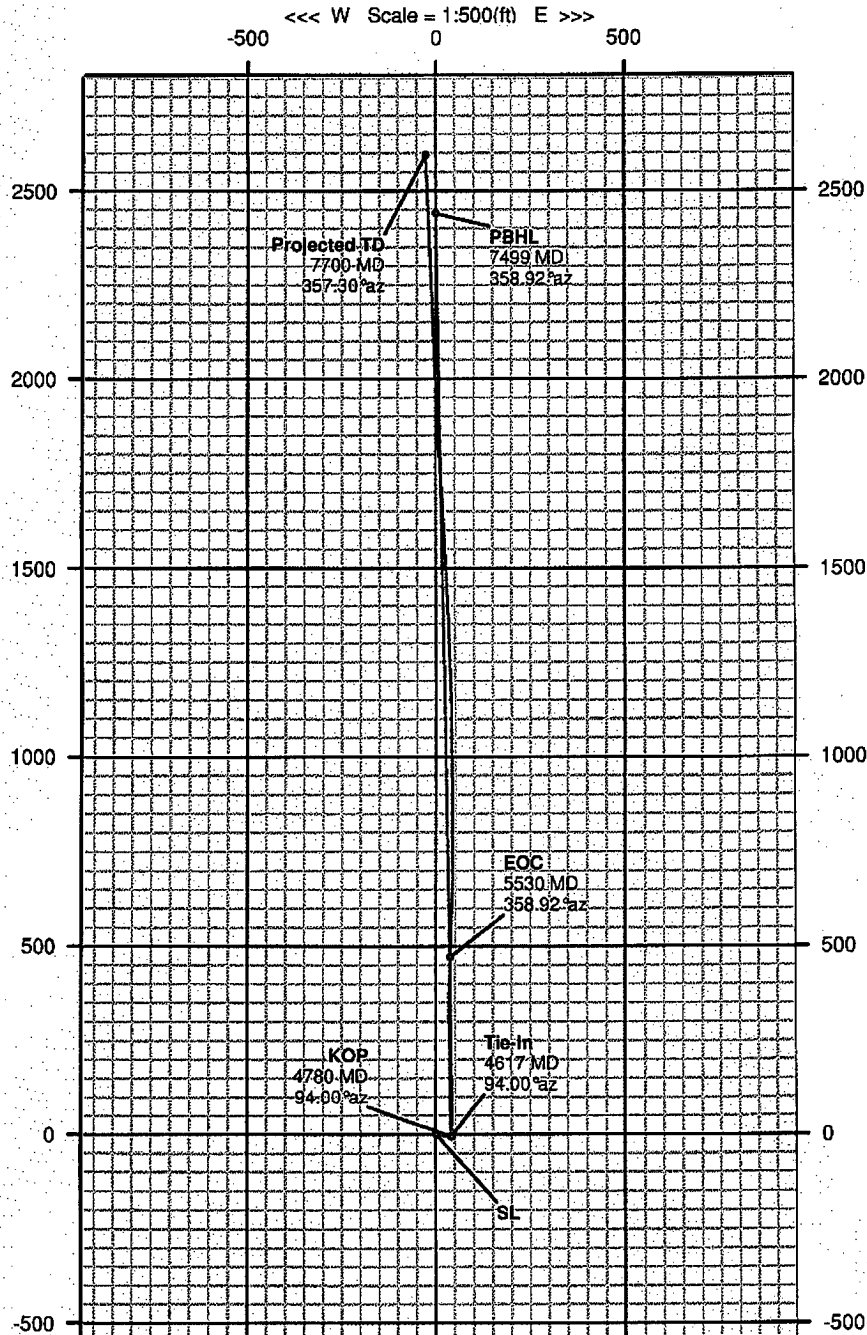
Report Date: October 13, 2006	Survey / DLS Computation Method: Minimum Curvature / Lubinski
Client: Southwestern Energy	Vertical Section Azimuth: 380.000°
Field: Eddy County, NM	Vertical Section Origin: N 0.000 ft, E 0.000 ft
Structure / Slot: Karlsbad Corral 2 #8-H / Karlsbad Corral 2 #8-H	TVD Reference Datum: RKB
Well: Karlsbad Corral 2 #8-H	TVD Reference Elevation: 0.0 ft relative to
Borehole: Karlsbad Corral 2 #8-H	Sea Bed / Ground Level Elevation: 0.000 ft relative to
UWI/API#:	Magnetic Declination: 8.483°
Survey Name / Date: Karlsbad Corral 2 #8-H_surveys / October 1, 2006	Total Field Strength: 49192.698 nT
Tort / AHD / DDI / ERD ratio: 140.893° / 2656.85 ft / 5.736 / 0.502	Magnetic Dip: 60.402°
Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone, US Feet	Declination Date: October 01, 2006
Location Lat/Long: N 32 27 58.536, W 104 17 54.240	Magnetic Declination Model: IGRF 2005
Location Grid N/E Y/X: N 533340.441 ftUS, E 510773.991 ftUS	North Reference: Grid North
Grid Convergence Angle: +0.01875231°	Total Corr Mag North -> Grid North: +8.464°
Grid Scale Factor: 0.99990922	Local Coordinates Referenced To: Well Head

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	4617.00	0.60	94.00	4616.49	-6.14	-6.14	39.34	39.82	98.88	0.00	94.00M
	4700.00	0.60	94.00	4699.49	-6.20	-6.20	40.21	40.68	98.77	0.00	106.50M
	4727.00	0.70	106.50	4726.48	-6.26	-6.26	40.51	40.99	98.79	0.64	59.90M
	4759.00	0.40	59.90	4758.48	-6.26	-6.26	40.79	41.27	98.73	1.61	9.40M
	4791.00	1.20	9.40	4790.48	-5.87	-5.87	40.94	41.36	98.17	3.11	-0.80M
	4823.00	3.40	359.20	4822.45	-4.60	-4.60	40.98	41.24	96.40	6.97	-3.10M
	4855.00	6.10	356.90	4854.34	-1.95	-1.95	40.88	40.92	92.73	8.46	3.02G
	4887.00	9.10	357.90	4886.05	2.28	2.28	40.69	40.76	86.79	9.38	3.29G
	4919.00	12.00	358.70	4917.51	8.14	8.14	40.52	41.33	78.65	9.07	0.51G
	4951.00	14.90	358.80	4948.63	15.58	15.58	40.36	43.26	68.90	9.06	-2.42G
	4983.00	17.80	358.40	4979.33	24.58	24.58	40.14	47.07	58.52	9.07	1.40G
	5014.00	20.70	358.60	5008.60	34.80	34.80	39.87	52.92	48.89	9.36	3.62G
	5046.00	23.90	359.10	5038.20	46.93	46.93	39.63	61.43	40.18	10.02	-1.55G
	5077.00	27.30	358.90	5066.15	60.33	60.33	39.40	72.05	33.15	10.97	-5.29G
	5108.00	30.60	358.30	5093.27	75.32	75.32	39.03	84.83	27.39	10.69	-8.91G
	5138.00	33.80	357.40	5118.66	91.30	91.30	38.42	99.05	22.82	10.79	10.38G
	5170.00	38.20	358.70	5144.54	110.09	110.09	37.79	116.40	18.95	13.96	3.14G
	5202.00	43.20	359.10	5168.79	130.95	130.95	37.40	136.18	15.94	15.65	0.00G
	5234.00	48.50	359.10	5191.07	153.90	153.90	37.04	158.29	13.53	16.56	2.87G
	5265.00	53.30	359.40	5210.62	177.94	177.94	36.72	181.69	11.66	15.50	0.89G
	5297.00	58.80	359.50	5228.48	204.48	204.48	36.47	207.70	10.11	17.19	0.00G
	5329.00	64.00	359.50	5243.80	232.56	232.56	36.22	235.37	8.85	16.25	-9.56G
	5362.00	69.00	358.60	5256.95	262.81	262.81	35.72	265.23	7.74	15.36	0.00G
	5393.00	74.30	358.60	5266.71	292.22	292.22	35.00	294.30	6.83	17.10	3.83G
	5424.00	80.20	359.00	5273.54	322.43	322.43	34.37	324.26	6.08	19.07	13.20G
	5457.00	86.60	0.50	5277.34	355.19	355.19	34.23	356.84	5.50	19.91	24.47G
	5489.00	91.00	2.50	5278.01	387.17	387.17	35.07	388.75	5.18	15.10	-108.43G
	5520.00	90.90	2.20	5277.49	418.14	418.14	36.34	419.71	4.97	1.02	-157.38G
	5552.00	89.70	1.70	5277.32	450.12	450.12	37.43	451.67	4.75	4.06	162.90G
	5583.00	88.40	2.10	5277.84	481.09	481.09	38.45	482.63	4.57	4.39	176.83G
	5615.00	86.60	2.20	5279.23	513.04	513.04	39.65	514.57	4.42	5.63	-111.85G
	5647.00	86.40	1.70	5281.19	544.96	544.96	40.74	546.48	4.28	1.68	-166.00G
	5679.00	86.00	1.60	5283.31	576.88	576.88	41.66	578.38	4.13	1.29	-90.00G
	5710.00	86.00	1.30	5285.47	607.79	607.79	42.44	609.27	3.99	0.97	5.70G
	5740.00	87.00	1.40	5287.30	637.73	637.73	43.15	639.19	3.87	3.35	-104.07G
	5771.00	86.90	1.00	5288.95	668.68	668.68	43.80	670.11	3.75	1.33	-110.61G
	5802.00	86.60	0.20	5290.71	699.63	699.63	44.12	701.01	3.61	2.75	-44.96G
	5834.00	86.90	359.90	5292.52	731.57	731.57	44.15	732.90	3.45	1.32	56.28G

Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
	7573.00	90.20	357.50	5275.31	2468.60	2468.60	-20.57	2468.69	359.52	1.13	-63.43G
	7603.00	90.30	357.30	5275.18	2498.57	2498.57	-21.93	2498.67	359.50	0.75	-18.43G
	7634.00	90.60	357.20	5274.94	2529.53	2529.53	-23.42	2529.64	359.47	1.02	44.99G
	7658.00	90.70	357.30	5274.66	2553.51	2553.51	-24.57	2553.62	359.45	0.59	0.00G
Projected TD	7700.00	90.70	357.30	5274.15	2595.46	2595.46	-26.55	2595.59	359.41	0.00	0.00G

Southwestern Energy

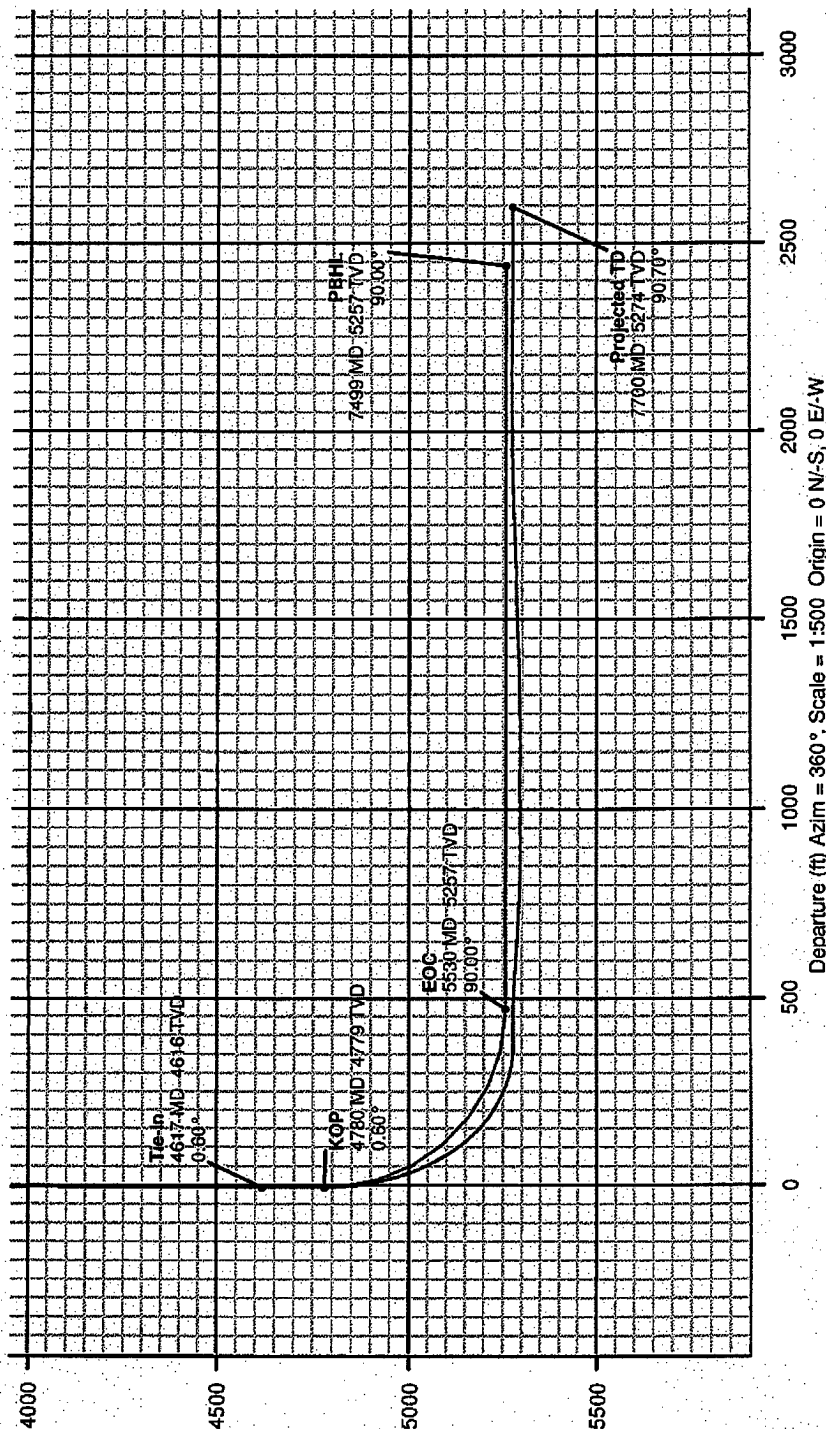
WELL	Karlsbad Corral 2 #8-H		FIELD	Eddy County, NM		STRUCTURE	Karlsbad Corral 2 #8-H	
Magneto Parameters Model: IGRF 2005	Dip: 60.402° Mag Dec: +8.483°	Date: October 01, 2006 FS: 49198.7 nT	Surface Location Lat: N22 27 58.536 Long: W104 17 54.240	NAD27 New Mexico State Plane, Eastern Zone, US Feet Northing: 533240.44 RLUS Easting: 510773.99 RLUS	Grid Conv: +0.01878231° Scale Fact: 0.999992226	Miscellaneous Sid: Karlsbad Corral 2 #8-H Plan: Karlsbad Corral 2 #8-H survey Data: Sun 06:41 AM October 01, 2006	TVD Ref: RKB (0.00 ft above)	



Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+) / S(-)	E(+) / W(-)	DLS
Tie-In	4617.00	0.60	94.00	4616.49	-6.14	-6.14	39.34	0.00
KOP	4779.64	0.60	94.00	4779.12	-6.26	-6.26	41.04	0.00
EOC	5530.08	90.00	358.92	5257.00	471.21	471.21	37.04	12.00
PBHL	7499.22	90.00	358.92	5257.00	2440.00	2440.00	-0.00	0.00



Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
	5866.00	87.10	0.20	5294.20	763.53	763.53	44.18	764.81	3.31	1.13	-12.52G
	5898.00	88.00	0.00	5295.57	795.50	795.50	44.23	796.73	3.18	2.88	-7.13G
	5930.00	89.60	359.80	5296.24	827.49	827.49	44.18	828.67	3.06	5.04	11.31G
	5962.00	90.10	359.90	5296.32	859.49	859.49	44.09	860.62	2.94	1.59	-33.69G
	5994.00	90.40	359.70	5296.18	891.49	891.49	43.98	892.58	2.82	1.13	-45.00G
	6026.00	90.60	359.50	5295.90	923.49	923.49	43.76	924.53	2.71	0.88	0.00G
	6058.00	90.90	359.50	5295.48	955.49	955.49	43.48	956.47	2.61	0.94	-161.56G
	6091.00	90.30	359.30	5295.14	988.48	988.48	43.13	989.42	2.50	1.92	0.00G
	6122.00	90.50	359.30	5294.92	1019.48	1019.48	42.75	1020.37	2.40	0.65	0.00G
	6154.00	90.80	359.30	5294.56	1051.47	1051.47	42.36	1052.33	2.31	0.94	-167.91G
	6186.00	89.40	359.00	5294.50	1083.47	1083.47	41.89	1084.28	2.21	4.47	-90.00G
	6218.00	89.40	358.70	5294.84	1115.46	1115.46	41.24	1116.22	2.12	0.94	-56.31G
	6247.00	89.60	358.40	5295.09	1144.45	1144.45	40.51	1145.17	2.03	1.24	45.00G
	6279.00	89.90	358.70	5295.23	1176.44	1176.44	39.70	1177.11	1.93	1.33	-56.31G
	6308.00	90.30	358.10	5295.18	1205.43	1205.43	38.89	1206.06	1.85	2.49	-26.57G
	6340.00	90.50	358.00	5294.96	1237.41	1237.41	37.80	1237.99	1.75	0.70	-45.00G
	6371.00	90.70	357.80	5294.63	1268.39	1268.39	36.67	1268.92	1.66	0.91	45.00G
	6403.00	91.00	358.10	5294.16	1300.36	1300.36	35.52	1300.85	1.56	1.33	-53.12G
	6435.00	91.30	357.70	5293.51	1332.33	1332.33	34.35	1332.78	1.48	1.56	-56.30G
	6465.00	91.50	357.40	5292.78	1362.30	1362.30	33.07	1362.70	1.39	1.20	44.99G
	6497.00	91.70	357.60	5291.89	1394.26	1394.26	31.67	1394.61	1.30	0.88	-59.01G
	6529.00	92.00	357.10	5290.85	1426.20	1426.20	30.19	1426.52	1.21	1.82	26.54G
	6560.00	92.40	357.30	5289.66	1457.14	1457.14	28.68	1457.43	1.13	1.44	-26.53G
	6591.00	92.80	357.10	5288.26	1488.08	1488.08	27.17	1488.32	1.05	1.44	165.07G
	6622.00	91.30	357.50	5287.15	1519.02	1519.02	25.71	1519.24	0.97	5.01	-90.00G
	6654.00	91.30	357.10	5286.42	1550.98	1550.98	24.20	1551.17	0.89	1.25	-126.87G
	6685.00	91.00	356.70	5285.80	1581.92	1581.92	22.53	1582.08	0.82	1.61	35.52G
	6717.00	91.70	357.20	5285.05	1613.87	1613.87	20.82	1614.00	0.74	2.69	-53.11G
	6749.00	92.00	356.80	5284.01	1645.81	1645.81	19.15	1645.92	0.67	1.56	63.42G
	6781.00	92.10	357.00	5282.87	1677.74	1677.74	17.42	1677.83	0.59	0.70	-90.00G
	6813.00	92.10	356.20	5281.70	1709.66	1709.66	15.52	1709.73	0.52	2.50	0.00G
	6844.00	92.30	356.20	5280.51	1740.57	1740.57	13.47	1740.63	0.44	0.65	-44.98G
	6876.00	92.40	356.10	5279.19	1772.47	1772.47	11.32	1772.51	0.37	0.44	0.00G
	6908.00	92.90	356.10	5277.72	1804.37	1804.37	9.15	1804.39	0.29	1.56	175.92G
	6940.00	91.50	356.20	5276.49	1836.27	1836.27	7.00	1836.28	0.22	4.39	108.43G
	6971.00	91.20	357.10	5275.76	1867.21	1867.21	5.19	1867.21	0.16	3.06	108.43G
	7003.00	91.00	357.70	5275.14	1899.17	1899.17	3.74	1899.17	0.11	1.98	-30.96G
	7035.00	91.50	357.40	5274.44	1931.13	1931.13	2.37	1931.13	0.07	1.82	176.63G
	7066.00	89.80	357.50	5274.09	1962.10	1962.10	0.99	1962.10	0.03	5.49	0.00G
	7098.00	90.30	357.50	5274.06	1994.07	1994.07	-0.40	1994.07	359.99	1.56	45.00G
	7130.00	90.60	357.80	5273.81	2026.04	2026.04	-1.71	2026.04	359.95	1.33	-36.86G
	7162.00	91.00	357.50	5273.37	2058.01	2058.01	-3.03	2058.01	359.92	1.56	0.00G
	7193.00	91.20	357.50	5272.77	2088.97	2088.97	-4.38	2088.98	359.88	0.65	171.87G
	7225.00	89.80	357.70	5272.49	2120.94	2120.94	-5.72	2120.95	359.85	4.42	45.00G
	7257.00	90.10	358.00	5272.52	2152.92	2152.92	-6.92	2152.93	359.82	1.33	0.00G
	7288.00	90.20	358.00	5272.44	2183.90	2183.90	-8.00	2183.92	359.79	0.32	-154.99G
	7320.00	88.70	357.30	5272.75	2215.87	2215.87	-9.31	2215.89	359.76	5.17	0.00G
	7352.00	89.00	357.30	5273.39	2247.83	2247.83	-10.82	2247.86	359.72	0.94	0.00G
	7383.00	89.20	357.30	5273.87	2278.79	2278.79	-12.28	2278.83	359.69	0.65	90.00G
	7415.00	89.20	357.50	5274.32	2310.76	2310.76	-13.73	2310.80	359.66	0.62	-45.00G
	7447.00	89.30	357.40	5274.74	2342.72	2342.72	-15.15	2342.77	359.63	0.44	45.00G
	7478.00	89.60	357.70	5275.04	2373.69	2373.69	-16.48	2373.75	359.60	1.37	0.00G
	7509.00	89.70	357.70	5275.23	2404.67	2404.67	-17.72	2404.73	359.58	0.32	-63.44G
	7541.00	89.90	357.30	5275.34	2436.64	2436.64	-19.12	2436.71	359.55	1.40	33.69G

[illegible]

	Critical Points								
	Critical Point	MD	INCL	AZIM	TYD	YSEC	N(4)/S(4)	E(4)/W(4)	DLS
Tie-In		4617.00	0.60	94.00	4616.49	-6.14	-6.14	39.34	0.00
KOP		4779.64	0.60	94.00	4779.12	-6.26	-6.26	41.04	0.00
EOC		5530.08	90.00	358.92	5257.00	471.21	471.21	37.04	12.00
PBHL		7499.22	90.00	358.92	5257.00	2440.00	2440.00	-0.00	0.00



INTERP



**Southwestern Energy
Production Company**

A subsidiary of Southwestern Energy Company

2350 N. Sam Houston Parkway East
Suite 300
Houston, Texas 77032
(281) 618-4700 FAX: (281) 618-4757

VIA FEDERAL EXPRESS OVERNIGHT

January 4, 2007

Bryan Arrant
State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1301 W. Grand Avenue
Artesia, NM 88210



Dear Bryan:

SUBJECT: SOUTHWESTERN ENERGY PRODUCTION COMPANY –
KARLSBAD CORRAL 2 NO. 8-H
API NO. 30-015-35113
STATE LS NO.V-3361 DATED 08/01/1990
SEC. 2-T25S, R29E
EDDY COUNTY, NEW MEXICO

Sent herein are the following forms and data for the subject well referenced above:

- Original Form C-105 with two (2) copies
- Original Form C-104 with two (2) copies
- Original Deviation Report (depths 384' to 4046')
- Directional Survey (depths 4790' to 7658')
- No electric log was run

Should you have questions or need any additional information please reach me direct through 281-618-4887, fax 281-618-4758 or Martha_Howard@SWN.com.

Respectfully,

SOUTHWESTERN ENERGY PRODUCTION COMPANY

Martha C. Howard
Staff Regulatory Analyst

MCH

Enclosures