| - Submit To Appropria<br>State Lease - 6 copies   |   | $\int_{-\infty}^{\infty}$ | ,  | State of New Me  |              | · ·                          |  | (C  |                  |          | _            | Form C-105                  |
|---|---|---------------------------|--|--|--------------|------------------------------|--|---|------------------|----------|--------------|-----------------------------|
| Fee Lease - 5 copies District I   |   | Er.                       | ∠y, l  | Minerals and Na  | tural Re     | esources                     | Γ  | WELL A  | PI NO            | 30 (     | 005 639      | ised March 25, 1999<br>86 — |
| 1625 N. French Dr., H<br>District II  | lobbs, NM 88240   |                           | (  | Oil Conservation I   | Division     |                              |  |   |                  | 50 (     |              |                             |
| 1301 West Grand, Art  | 1301 West Grand, Artesia, NM 88210 1220 South St. Francis Dr. |                           |  |  |              |                              | 5. Indicate Type of Lease                            |   |                  |          |              |                             |
| District III 1000 Rio Brazos Rd., Aztec, NM 87410  Santa Fe, NM 87505                           |   |                           |  |  |              | -                            | STATE FED EE   |   |                  |          |              |                             |
| District IV  1220 S. St. Francis Dr., Santa Fe, NM 87505  State Oil & Gas Lease No.  N/A        |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG  |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
| 1a. Type of Well:   | ⊥□ GAS WE   | LL DRY                    |  |  |              |                              |  | 7. Lease Na                                     |                  |          | ement Na     | me                          |
| OIL WEI   | لسا GAS WE  | LL 🔛 DRY                  | · —  | OTHER  |              |                              | -  | Charol  | ette B 1         | Fee      |              |                             |
| b. Type of Compl  |   |                           |  | JAN 29 2009  |              |                              |  |   |                  |          |              |                             |
| WELL X OVER DEEPEN BACK RESVR. OTHER  2. Name of Operator 8. Well No.                           |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
|   |   |                           |  |  |              |                              | j  | #2  |                  |          |              |                             |
| McKay Oil Cor  3. Address of Opera  |   |                           |  |  |              |                              | $\dashv$   | O Pool name                                     | or Wild          | ant      | <del>.</del> |                             |
| P.O. Box 2014   |   | Mexico 88202              | 2-2014   | 50   | )5-623-4     | 1735                         |  | 9. Pool name or Wildcat<br>West Pecos ABO Slope |                  |          |              |                             |
| 4. Well Location  |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
| Unit Letter   | F. 2130' Feet From  | n The North Li            | ne. 1650   | ) Feet From The West                                       | Line.        |                              |  |   |                  |          |              |                             |
| Section   | 17  | Townshi                   |  |  |              |                              |  | CHAV  |                  |          | County       |                             |
| 10. Date Spudded 09/03/2008   | 11. Date T.D. Re<br>09/15/2008                                |                           | Date Coi<br>11/21/20                             | mpl. (Ready to Prod.)                                      | 13           | . Elevations                 |  | : RKB, RT, C<br>4112'                           | R, etc.)         |          | 14. Elev.    | Casinghead                  |
| 15 Teal Death   | 16 Dina D   | and TD                    | 17 16  | Multiple Court Have  |              | 10 1-4-                      | 1 .  | D-4 T-  | 1-               |          | C-L1- T      | · _ 1 _                     |
| 15. Total Depth 2990'   | 16. Plug B  | ack 1.D.                  | 17. If Multiple Compl. How N<br>Zones? N/A       |  |              | any 18. Intervals Drilled By |  | Rotary Tools                                    |                  |          | Cable Tools  |                             |
| 19. Producing Inter<br>2952' – 29   |   | oletion - Top, Bo         | ttom, Na   | ame  |              |                              |  |   | 20               |          | is Directio  | onal Survey Made            |
| 21. Type Electric at  | nd Other Logs Run   |                           |  |  |              |                              |  | 21.   | Was We           |          |              | -                           |
| GR, CN/CCL 23.  |   | CAS                       | NC P   | ECOPD (Papart  | all atrin    | as set in w                  | (11)   |   | NO               |          |              |                             |
| CASING SIZE   | E WEIG  | HT LB./FT.                |  | ECORD (Report all strings set in well) DEPTH SET HOLE SIZE |              |                              | en)  | CEMENT  | NG REC           | ORD      | Al           | MOUNT PULLED                |
| 8 5/8"  | 35  | # J55                     | 950.63'  |  | 12 1/4       |                              | 1003 sks Class "C"                                   |   |                  |          |              |                             |
| 3 ½"  | 9.3#,   | CS Hyd                    | Iyd 2920'  |  | 7 7/8        |                              | 50 sks Class "C"                                     |   | C"               |          | *            |                             |
|   |   |                           |  |  |              | <u> </u>                     |  | w2  | %Calc            |          | <del> </del> |                             |
|   |   |                           | <del>                                     </del> |  |              |                              |  |   |                  |          |              |                             |
| 24.   |   |                           | LIN  | ER RECORD  |              |                              | 25.  |   | TUBIN            | IG RE    | CORD         |                             |
| SIZE  | TOP   | BOTTOM                    |  | SACKS CEMENT   | SCREE        | N                            | SIZ  | E   | DE               | PTH SI   | EŢ           | PACKER SET                  |
|   |   |                           |  |  | <del> </del> |                              | -  |   |                  |          |              |                             |
| 26. Perfora   | tion record (interva  | l, size, and num          | ber)   |  | 27. AC       | CID, SHOT                    | FR   | ACTURE, 0                                       | CEMEN            | T. SO    | UEEZE.       | ETC.                        |
|   | 2052' _ 2072'   | 2spf (every other         | er foot)   |  | DEPTH        | INTERVAL                     | ,  | AMOUNT  | AND K            | ND M     | ATERIAL      | USED                        |
|   | 2932 - 2912   | 2spi (every out           | a 100t)  |  | 295          | 52' – 2972                   | •  | 1   |                  |          |              | d. 39,856lbs 20/40          |
|   |   |                           |  |  |              |                              | SandOttawa, & 34,528lbs Super LC(resin coated sand). |   |                  |          |              |                             |
|   |   |                           |  |  |              |                              |  | Acidize   |                  | gal 15   | 5% acet      | ic acid                     |
|   |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
|   |   |                           |  |  | 0.000        |                              |  |   |                  |          |              | -                           |
| Date First Producti   |   | Production Mar            | thod (E)   | owing, gas lift, pumpi                                     | ODUC1        |                              |  | I Wall Can                                      | -ra (D-s d       | - Ch     | and deal D7  | ODUCING                     |
| 11/30/08  |   | pump)FLOWIN               |  | owing, gas tijt, pumpt                                     | ng - size a  | іпа туре                     |  | well Stat                                       | us ( <i>Proa</i> | . or sni | ui-in) Pi    | RODUCING                    |
| Date of Test  | Hours Tested  | Choke Size                | ;  | Prod'n For<br>Test Period                                  | Oil - Bl     | ol                           | Gas  | - MCF   | Wa               | ter - Bl | bl.          | Gas - Oil Ratio             |
| 11/30/08  | 4   | 48/64                     |  | MCF 177  | 0            |                              |  |   |                  | 0        |              | N/A                         |
| Flow Tubing<br>Press. N/A   | Casing Pressure   | Calculated<br>Hour Rate   | 24-  | Oil - Bbl.   | Gas          | - MCF                        | 1  | Water - Bbl.                                    |                  | Oil G    |              | PI - (Corr.)                |
| _   |   | MCF 1,0                   |  |  |              |                              |  |   |                  |          | N/A          |                             |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) SOLD  Test Witnessed By Jim Robinson |   |                           |  |  |              |                              |  |   |                  |          |              |                             |
| 30. List Attachmen  | ts<br>Deviation Sur   | vey                       |  |  |              |                              |  |   |                  |          |              |                             |
| 31 .I hereby certi  | fy that the inform  | ation shown o             | n both :   | sides of this form as                                      | true and     | complete t                   | o the  | best of my                                      | knowled          | lge and  | d belief     | - J. J.                     |
|   | . 1 ~ 1   | (0)                       | $\mathbf{P}_{1}$                                 | rinted   |              |                              |  |   |                  |          |              | Mar                         |
| Signature (   | ard 8h  | inks                      | Na   | ame Carol Shank  | 'S           | Title                        | Proc   | duction An                                      | alyst            |          | Date         | 12/30/2008                  |

## **INSTRUCTIONS** (

## Charolette B Fee #2

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                        | 7          | Γ. Ojo Ala                  | mo        |                      | T. Penn. "B"                 |  |  |  |
| T. Salt_  |                                |                   |                                  | 1          | Γ. Kirtland                 | l-Fruitla | ınd                  | T. Penn. "C"                 |  |  |  |
|   |                                | T. Atoka          |                                  |            | <ol> <li>Picture</li> </ol> | l Cliffs_ |                      | T. Penn. "D"                 |  |  |  |
| T. Yates  |                                |                   | T. Miss                          | 7          | Γ. Cliff Ho                 | ouse      |                      | T. Leadville                 |  |  |  |
| T. 7 Riv  | ers                            |                   | T. Devonian                      | 7          | Γ. Menefe                   | e         |                      | T. Madison                   |  |  |  |
|   |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
| T. Grayl  | T. Montoya                     |                   |                                  |            |                             |           |                      |                              |  |  |  |
|   | T. Simpson                     |                   |                                  | 7          | Γ. Gallup_                  |           |                      | T. Ignacio Otzte             |  |  |  |
| T. Glori  | T. McKee                       |                   |                                  | F          | Base Gree                   | nhorn     |                      | T. Granite                   |  |  |  |
|   | . Paddock T. Ellenburger       |                   |                                  |            | Γ. Dakota                   |           |                      | <u>T</u>                     |  |  |  |
|   | Г. Blinebry T. Gr. Wash        |                   |                                  |            | Γ. Morrisc                  | n         |                      | T                            |  |  |  |
| T.Tubb  | T.Tubb –2417' T. Delaware Sand |                   |                                  | ]          | Γ.Todilto_                  |           |                      | T                            |  |  |  |
|   |                                |                   |                                  | 7          | Γ. Entrada                  |           |                      | T                            |  |  |  |
| T. Abo -2877'_Pay-2930' TYESO -921'                     |                                |                   |                                  | T. Wingate |                             |           |                      |                              |  |  |  |
| T. Wolf   | camp                           |                   | T TD – <b>2990</b> '             | 7          | Γ. Chinle_                  |           | -                    | T                            |  |  |  |
|   |                                |                   |                                  | 7          | Γ. Permiai                  | 1         |                      | T                            |  |  |  |
| T. Penn   |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
|   |                                |                   | Т                                |            | Γ. Penn "A                  | A"        |                      | T                            |  |  |  |
| T. Cisco  | (Bough C                       | C)                |                                  |            |                             |           |                      |                              |  |  |  |
|   |                                |                   |                                  |            |                             |           |                      | OIL OR GAS SANDS<br>OR ZONES |  |  |  |
| No. 1, 1  | rom                            |                   | to                               | • • • • •  | No. 3, fr                   | rom       |                      | to                           |  |  |  |
|   |                                |                   |                                  |            | No. 4, fromto               |           |                      |                              |  |  |  |
| IMPORTANT WATER SANDS                                   |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
| Include   | data on                        | rate of wat       | er inflow and elevation to which |            |                             |           |                      |                              |  |  |  |
|   |                                |                   |                                  |            |                             |           | feet                 |                              |  |  |  |
| No. 1, from   |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
| No. 3, from to feet.                                    |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
|   |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
| LITHOLOGY RECORD (Attach additional sheet if necessary) |                                |                   |                                  |            |                             |           |                      |                              |  |  |  |
| From  | То                             | Thickness In Feet | Lithology                        |            | From                        | То        | Thickness<br>In Feet | Lithology                    |  |  |  |

McKay Drilling Corporation

Roy L. McKay, President

Mailing Address: P.O. Box 2014 Roswell, NM 88202 \* Telephone 575 / 623 - 4735 Street Address: One McKay Place Roswell, NM 88201 \* Fax No. 575 / 624 - 2202

OIL & GAS

December 30, 2008

Bureau of Land Management Attn: Angel Mayes 2909 W. Second Street Roswell, NM 88201-2019

RE: Charolette B Fee #2

2130' FNL, 1650' FWL, Unit F, Sec 17, T6S, R23E

Chaves County, New Mexico

Spud 09/03/08

## **DEVIATION SURVEY**

| 1/4 | ٥ | @ | 250'  |
|-----|---|---|-------|
| 1/4 | 0 | @ | 500'  |
| 1/4 | 0 | @ | 750'  |
| 1/2 | 0 | @ | 1975' |
| 1/2 | 0 | @ | 2500' |
| 1   | 0 | @ | 2880' |

TD 2990'

Released Date 09/16/08

Sincerely,

Carol Shanks

Production, Analyst

STATE OF NEW MEXICO)

COUNTY OF CHAVES

The foregoing instrument was Acknowledged before me this 30<sup>th</sup> day of December, 2008, by the person known to me to be Carol Shanks.

My Commission Expires: 4/27

Notary Public

PRODUCTION \*

**LEASES** 

**INVESTMENTS** 



McKay Oil Corporation P.O Box 2014 Roswell, New Mexico 88202-2014

January 27, 2009

Oil Conservation Division District II 1301 W. Grand Artesia, NM 88210

Re: Request for allowable form C-104

Dear Mr. Gum,

I have enclosed a copy of the information per your request. Please accept copies, as we previously sent the originals including the logs, which we now do not have, an extra to send the original now.

Thank you for your assistance in this matter.

Sincerely,

Jennifer Com, Agent McKay Oil Corporation JAN 29 2009