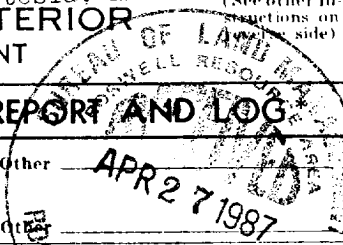


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Drawer DD
Artesia, NM 88210
SUBMIT IN DUPLICATE*



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR.

2. NAME OF OPERATOR: McKay Oil Corporation

3. ADDRESS OF OPERATOR: P.O. Box 2014, Roswell, N.M. 88202

4. LOCATION OF WELL (Report location clearly and in accordance with any State regulations):
At surface: 660' FSL & 760' FWL
At top prod. interval reported below
At total depth

5. LEASE DESIGNATION AND SERIAL NO.: NM-32322-A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Middle Fork Federal

7. UNIT AGREEMENT NAME: 5

8. FARM OR LEASE NAME: W. Pecos Slope-Abo

9. WELL NO.: Sec. 5, T6S, R23E

10. FIELD AND POOL, OR WILDCAT: Chaves N.M.

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: 5

12. COUNTY OR PARISH: Chaves

13. STATE: N.M.

14. PERMIT NO. DATE ISSUED: JUN 3 1987 O. C. D. ARTESIA, OFFICE

15. DATE SPUDDED: 1/27/87

16. DATE T.D. REACHED: 2/02/87

17. DATE COMPL. (Ready to prod.): 3/10/87

18. ELEVATIONS (DF, RKB, RT, GB, ETC.): 4169' GR

19. ELEV. CASINGHEAD: 4168'

20. TOTAL DEPTH, MD & TVD: 3500'

21. PLUG, BACK T.D., MD & TVD: 3387'

22. IF MULTIPLE COMPL., HOW MANY*
23. INTERVALS DRILLED BY: ROTARY TOOLS X CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*: 3000-3185' Abo

25. WAS DIRECTIONAL SURVEY MADE: Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN: CNL-FDC; GR; DLL-MSFL; CBL-VD

27. WAS WELL CORED: No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24.0#	1076'	12 1/4"	525 sx (Circulated)	
4 1/2"	9.5#	3489'	7 7/8"	575 sx (Circulated)	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	2947'	

31. PERFORATION RECORD (Interval, size and number)

3000-3015 (11 shots)
3176-3185 (07 shots)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
3000-3185	2500 gal 7 1/2% Abo Acid
	30,000 gal 50# Linear Gel
	27,500# 20/40 sand
	14,300# 12/20 sand

33. PRODUCTION

DATE FIRST PRODUCTION: 3/13/87

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump): S I

WELL STATUS (Producing or shut-in): S.I.

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
3/13/87	4	--	→	--	623	--	--

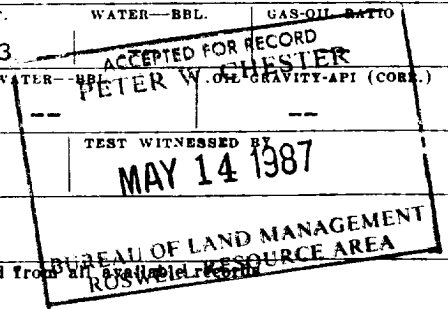
FLOW. TUBING PRESS. 540-834 CASING PRESSURE 540-834 CALCULATED 24-HOUR RATE → OIL—BBL. -- GAS—MCF. 623 WATER—BBL. -- GAS-OIL RATIO --

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.): WOPLC

35. LIST OF ATTACHMENTS: 2 copies of above logs; Deviation Survey; Form C-122

36. I hereby certify that the foregoing and attached information is complete and correct as determined from the available records.

SIGNED Theresa Rodriguez TITLE Production Analyst DATE 4/23/87

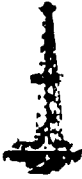


*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Abo	2920'	+1260



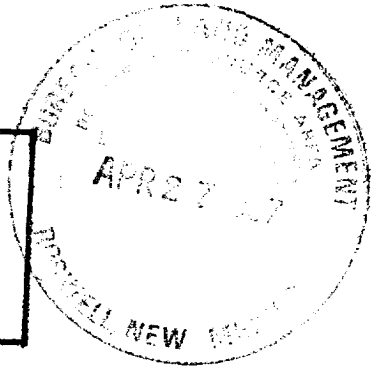
GRANDE DRILLING CORPORATION



J.P. White Building
P.O. Box 2487
Roswell, New Mexico 88201
(505) 623-9537

McKay Oil Corporation
P.O. Box 2014
Roswell, New Mexico 88201

February 5, 1987
RECEIVED BY
JUN - 3 1987
O. C. D.
ARTESIA, OFFICE



Re: Middlefork Federal #5
W/2, Section 5, T6S, R23E
Chaves County, New Mexico

Spud 1/27/87

DEVIATION SURVEY

1/2	@	512'
1/2	@	1096'
1/2	@	1661'
3/4	@	2170'
3/4	@	2560'
3/4	@	3052'
3/4	@	3503'

TD - 3520'

Released - 2/2/87

Sincerely,

J.C. Johnson
President

STATE OF NEW MEXICO)
)
COUNTY OF CHAVES)

The foregoing instrument was
acknowledged before me this
5th day of February, 1987,
by the person known to me to
be J.C. Johnson.

My Commission Expires: 3/31/89

Notary Public