

Submit To Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-105  
Revised March 25, 1999

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-025-35946                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| State Oil & Gas Lease No.                                                                           |

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|                                                                                                                                                                                                                                        |                                                                                                        |                                                                  |                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------|
| 1a. Type of Well:<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____                                                                                           |                                                                                                        | 7. Lease Name or Unit Agreement Name<br><br>Bilbrey 32 State Com |                                                              |
| b. Type of Completion:<br>NEW <input type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER <input type="checkbox"/> BACK RESVR. <input type="checkbox"/> OTHER |                                                                                                        | 8. Well No.<br><br>2                                             |                                                              |
| 2. Name of Operator<br><br>Matador Operating Company                                                                                                                                                                                   |                                                                                                        | 9. Pool name or Wildcat<br><br>Bilbrey; Morrow (Gas)             |                                                              |
| 3. Address of Operator<br><br>310 W. Wall, Suite 906 Midland, TX 79701                                                                                                                                                                 |                                                                                                        |                                                                  |                                                              |
| 4. Well Location<br><br>Unit Letter <u>K</u> : <u>1330</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line<br>Section <u>32</u> Township <u>21S</u> Range <u>32E</u> NMPM                               |                                                                                                        |                                                                  |                                                              |
| 10. Date Spudded<br><br>7/15/02                                                                                                                                                                                                        | 11. Date T.D. Reached<br><br>9/2/02                                                                    | 12. Date Compl. (Ready to Prod.)<br><br>11/27/02                 | 13. Elevations (DF& RKB, RT, GR, etc.)<br><br>3710 GR        |
| 14. Elev. Casinghead<br><br>3710 GR                                                                                                                                                                                                    | 15. Total Depth<br><br>14900                                                                           | 16. Plug Back T.D.<br><br>14503                                  | 17. If Multiple Compl. How Many Zones?<br><br>1              |
| 18. Intervals Drilled By<br><br>X                                                                                                                                                                                                      | 19. Producing Interval(s), of this completion - Top, Bottom, Name<br>14370-14375 Bilbrey; Morrow (Gas) | 20. Was Directional Survey Made<br><br>No                        | 21. Type Electric and Other Logs Run<br>DLL, Density/Neutron |
| 22. Was Well Cored<br><br>No                                                                                                                                                                                                           |                                                                                                        |                                                                  |                                                              |

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

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD      | AMOUNT PULLED      |
|-------------|----------------|-----------|-----------|-----------------------|--------------------|
| 13 3/8      | 48             | 765       | 17 1/2    | 615 sx                | Circ 147 sx to pit |
| 9 5/8       | 36 & 40        | 4664      | 12 1/4    | 1030 sx Interfill C & | Circ to pit        |
|             |                |           |           | 250 sx Class C        |                    |
| 7           | 26             | 12609     | 8 3/4     | 220 sx Interfill C &  |                    |
|             |                |           |           | 370 sx Super H        |                    |

| 24. LINER RECORD |       |        |                |        | 25. TUBING RECORD |           |            |
|------------------|-------|--------|----------------|--------|-------------------|-----------|------------|
| SIZE             | TOP   | BOTTOM | SACKS CEMENT   | SCREEN | SIZE              | DEPTH SET | PACKER SET |
| 4 ½              | 12271 | 14898  | 275 sx Super H |        | 2 3/8             | 14291     | 14250      |

| 26. Perforation record (interval, size, and number)<br><br>14370-75, 18 SPF (shot 5' three times @ 6 SPF)<br>CIBP @ 14520; 14554-57, 14584-86, 6 SPF;<br>CIBP @ 14670, 14713-18, 6 SPF | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.<br><table border="1"><tr><th>DEPTH INTERVAL</th><th>AMOUNT AND KIND MATERIAL USED</th></tr><tr><td>14370-13375</td><td>2000 gals 15% HCL &amp; 56510 20/40, 67200 gals</td></tr><tr><td>14554-14586</td><td>700 gals 7.5% HCL</td></tr><tr><td>14713-14718</td><td>250 gals 15% HCL</td></tr></table> | DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED | 14370-13375 | 2000 gals 15% HCL & 56510 20/40, 67200 gals | 14554-14586 | 700 gals 7.5% HCL | 14713-14718 | 250 gals 15% HCL |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------|-------------|---------------------------------------------|-------------|-------------------|-------------|------------------|
| DEPTH INTERVAL                                                                                                                                                                         | AMOUNT AND KIND MATERIAL USED                                                                                                                                                                                                                                                                                                                         |                |                               |             |                                             |             |                   |             |                  |
| 14370-13375                                                                                                                                                                            | 2000 gals 15% HCL & 56510 20/40, 67200 gals                                                                                                                                                                                                                                                                                                           |                |                               |             |                                             |             |                   |             |                  |
| 14554-14586                                                                                                                                                                            | 700 gals 7.5% HCL                                                                                                                                                                                                                                                                                                                                     |                |                               |             |                                             |             |                   |             |                  |
| 14713-14718                                                                                                                                                                            | 250 gals 15% HCL                                                                                                                                                                                                                                                                                                                                      |                |                               |             |                                             |             |                   |             |                  |

28. PRODUCTION

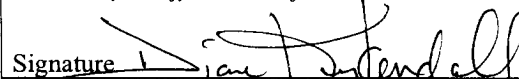
|                                       |                          |                                                                                    |                        |                    |                                                 |                                       |                           |
|---------------------------------------|--------------------------|------------------------------------------------------------------------------------|------------------------|--------------------|-------------------------------------------------|---------------------------------------|---------------------------|
| Date First Production<br><br>11/28/02 |                          | Production Method (Flowing, gas lift, pumping - Size and type pump)<br><br>Flowing |                        |                    | Well Status (Prod. or Shut-in)<br><br>Producing |                                       |                           |
| Date of Test<br><br>3/16/03           | Hours Tested<br><br>24   | Choke Size<br><br>48                                                               | Prod'n For Test Period | Oil - Bbl<br><br>0 | Gas - MCF<br><br>314                            | Water - Bbl.<br><br>28                | Gas - Oil Ratio<br><br>NA |
| Flow Tubing Press.<br><br>60          | Casing Pressure<br><br>0 | Calculated 24-Hour Rate                                                            | Oil - Bbl.             | Gas - MCF          | Water - Bbl.                                    | Oil Gravity - API - (Corr.)<br><br>NA |                           |

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

30. List Attachments

Logs, C103, C102, Deviation Report, C104, C116

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  | Printed Name<br>Diane Kuykendall | Title<br>Production Analyst | Date<br>5/23/03 |
|----------------------------------------------------------------------------------------------|----------------------------------|-----------------------------|-----------------|

# 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 <u>695</u>       | T. Canyon _____                    | T. Ojo Alamo _____          | T. Penn. "B" _____     |
| T. Salt _____            | T. Strawn <u>13140</u>             | T. Kirtland-Fruitland _____ | T. Penn. "C" _____     |
| B. Salt _____            | T. Atoka <u>13274</u>              | 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. Blinbry _____         | T. Gr. Wash _____                  | T. Morrison _____           | T. _____               |
| T. Tubb _____            | T. Delaware Sand _____             | T. Todilto _____            | T. _____               |
| T. Drinkard _____        | T. Bone Springs <u>8632</u>        | T. Entrada _____            | T. _____               |
| T. Abo _____             | T. Delaware <u>4630</u>            | T. Wingate _____            | T. _____               |
| T. Wolfcamp <u>11785</u> | T. Bone Spring (3 SS) <u>11342</u> | T. Chinle _____             | T. _____               |
| T. Penn _____            | T. MRRW (U) <u>13825</u>           | T. Permian _____            | T. _____               |
| T. Cisco (Bough C) _____ | T. MRRW (M) <u>14301</u>           | T. Penn "A" _____           | T. _____               |
|                          | T. MRRO (L) <u>14681</u>           |                             |                        |

## OIL OR GAS SANDS OR ZONES

No. 1, from...14160.....to.....14220.....  
 No. 2, from...14346.....to.....14376.....  
 No. 3, from.....14388.....to.....14396.....  
 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 |
|-------|-------|----------------------|-------------------------------------|------|----|----------------------|-----------|
| 0     | 695   | 695                  | Sandstone, Shale                    |      |    |                      |           |
| 665   | 4612  | 3947                 | Anhy, Salt, Shale                   |      |    |                      |           |
| 4612  | 8632  | 4020                 | Sandstone, Shale w/ some Limestone  |      |    |                      |           |
| 8632  | 9695  | 1063                 | Carbonate, Limestone, Shale         |      |    |                      |           |
| 9695  | 10080 | 385                  | Standstone, Shale                   |      |    |                      |           |
| 10080 | 10331 | 251                  | Carbonate, Limestone, Shale         |      |    |                      |           |
| 10331 | 10670 | 339                  | Sandstone, Shale                    |      |    |                      |           |
| 10670 | 11326 | 656                  | Carbonate, Limestone, Shale         |      |    |                      |           |
| 11326 | 11785 | 459                  | Sandstone, Shale                    |      |    |                      |           |
| 11785 | 13140 | 1355                 | Shale, Carbonate                    |      |    |                      |           |
| 13140 | 13274 | 134                  | Chty Limestone                      |      |    |                      |           |
| 13274 | 13805 | 531                  | Limestone, Shale, Thin Sandstone    |      |    |                      |           |
| 13805 | 14301 | 496                  | Limestone, Shale, 2 Sandstone Units |      |    |                      |           |
| 14301 | 14681 | 380                  | Sandstone, Shale                    |      |    |                      |           |
| 14681 | 14800 | 119                  | Shale, Sandstone                    |      |    |                      |           |
| 14800 | 14900 | 100                  | Shale                               |      |    |                      |           |