

MAYO MARRS CASING PULLING INC.
BOX 863
KERMIT, TEXAS 79745

NEW MEXICO OCD HOBBS
CONTRACT # 61-521-07-00277

OPERATOR: GORDON M. CONE

Lease: BERRY STATE # 1 API # 30-025-05514

Project: P & A – CEMENTING REPORT

07-11-06 – SPOT 30 SXS @ 4504' – 4415' & TAG

07-11-06 – SPOT 40 SXS @ 2838' - 2803' & TAG

07-12-06 - SPOT 40 SXS @ 2803' - 2726' & TAG

07-13-06 - TEST TO 1000#

07-13-06 - PERFORATE @ 1588' – TEST CASING TO 1000#

07-13-06 - SPOT 35 SXS @ 1638' - 1548' & TAG

07-13-05 - PERFORATE @ 350' - SQUEEZE 235 SXS @ 350' TO SURFACE

INSTALL DRY HOLE MARKER

CIRCULATE 10# MUD

'AYO MARRS CASING PULLING INC.
BOX 863 KERMIT, TEXAS 79745

NEW MEXICO OCD

SUPERVISOR-FRANK RIVAS

Lease: BERRY-STATE
Well: # 1
Operator: GORDON M. CONE
Project: P & A -
Contract: 61-521-07-00277

API # 30-025-05514

07-10-06 (11 HRS)

OCD LOCATE WELL & ROAD DIRECTIONS - MIRU - SET 4 ANCHOR'S FOR RIG - MOVE IN STEEL PIT
DIG & LINE PIT DUE TO NO BRADEN HEAD - FLOW WELL DOWN INTO STEEL PIT - NDWH - NUBOP
WITH WELLHEAD ADAPTOR - COMPANION FLANGE

10 HRS RIG @ \$ 240.00/HR	(A-5)	.. \$ 2,400.00
SUPERVISOR	(A-1)	.. \$ 250.00
1 HR ROAD TIME @ \$ 150.00	(A-2)	.. \$ 150.00
LABOR & MATERIAL PIT LINER	(G-8)	.. \$ 500.00
STEEL PIT @ \$ 250.00/DAY/5 DAY MINIMUM	(E-13)	.. \$ 1,250.00
1 HR - TANDEM TRUCK	(G1)	.. \$ 125.00
1 HR HELPER (G-1 & 2 - MOVE IN STEEL PIT)	(G-2)	.. \$ 25.00
4 ANCHORS	(G-13)	.. \$ 1,100.00
BOP COMPANION FLANGE	(E-6.1)	.. \$ 400.00

7-11-06 (12 HRS)

RIH WITH 40 JOINTS - WELL BEGIN TO FLOW - PUMP 20 BBLS BRINE - RIH & TAG @ 4504' - SPOT 30
SXS PER GARY WINK - POOH - WOC 3.5 HRS - RIH WITH TUBING & TAG @ 4415' - PUMP 80 BBLS
BRINE & 20 SXS SALT GEL - POOH & SPOT 40 SXS @ 2838' - POOH - CLOSE IN WELL

11 HRS RIG @ \$ 240.00/	(A-5)	.. \$ 2,640.00
SUPERVISOR	(A-1)	.. \$ 250.00
1 HR ROAD TIME @ \$ 150.00/	(A-2)	.. \$ 150.00
CEMENTING EQUIPMENT	(B-1.1)	.. \$ 2,000.00
CEMENT EQUIPMENT MILEAGE (ROUND TRIP)	(B-2)	.. \$ 20.00
70 SXS CEMENT @ \$ 12.50/	(B-5)	.. \$ 875.00
20 SXS SALT GEL @ 4 8.50/	(B-7)	.. \$ 170.00
6 HRS WATER TRUCK @ \$ 75.00/	(G-5)	.. \$ 450.00
60 BBLS FRESH WATER @ \$.65/	(G-14)	.. \$ 39.00
130 BBLS BRINE @ \$1.10/	(G-15)	.. \$ 143.00

7-12-06 (10 HRS)

RIH & TAG @ 2803' - RESET PLUG - SPOT 40 SXS @ 2803' - POOH - WOC - TAG @ 2726' - CIR. 90 BBLS
(22 SXS)10# MUD - TEST CASING TO 1000# - POOH - RIH & PERFORATE @ 1588' - NDBOP - REMOVE
FLANGE - RIH WITH 8 5/8" PACKER - TEST TO 1000# - POOH - NUWH & FLANGE - NUBOP - CLOSE IN
WELL - DUE TO LIGHTNING

9 HRS RIG @ \$ 240.00/HR	(A-5)	.. \$ 2,160.00
SUPERVISOR	(A-1)	.. \$ 250.00
1 HR ROAD TIME @ \$ 150.00/	(A-2)	.. \$ 150.00
40 SXS CEMENT @ \$ 12.50/	(B-5)	.. \$ 500.00
1 - PERFORATION @ 1588'	(C-3)	.. \$ 450.00
4 HRS WATER TRUCK	(G-5)	.. \$ 300.00
60 BBLS FRESH WATER	(G-14)	.. \$ 39.00
130 BBLS BRINE	(G-15)	.. \$ 143.00
22 SXS SALT GEL	(B-7)	.. \$ 187.00
5 HRS VACUUM TRUCK TO EMPTY PIT	(G-6)	.. \$ 390.00
DISPOSAL FEE (130 BBLS)	(H-1)	.. \$ 84.50
RENTAL ON 8 5/8" PACKER	(D-2.1)	.. \$ 500.00

MAYO MARRS CASING PULLING INC.
BERRY STATE # 1

7-13-06 (10.5 HRS)

SPOT 35 SXS @ 1638' - POOH - WOC - TAG @ 1548' - PERFORATE @ 350' - NDBOP - NUWH - SQUEEZE
 235 SXS @ 350' TO SURFACE - WOC 30 MINUTES - CEMENT @ SURFACE - RIG DOWN - CUT OFF
 WELLHEAD & ANCHORS - INSTALL DRY HOLE MARKER - REMOVE PIT LINER - LEVEL LOCATION -
 DISPLACED ALL PLUGS WITH MUD

9.5 HRS RIG @ \$ 250.00/	(A-5)	.. \$ 2,625.00
SUPERVISOR	(A-1)	.. \$ 250.00
1 HR ROAD TIME @ \$ 150.00/	(A-2)	.. \$ 150.00
270 SXS CEMENT @ \$ 12.50/	(B-5)	.. \$ 3,375.00
1 - PERFORATION @ 350'	(C-4)	.. \$ 400.00
4 HRS WATER TRUCK	(G-5)	.. \$ 300.00
80 BBLS FRESH WATER	(G-14)	.. \$ 52.00
40 BBLS BRINE @ \$ 1.10/	(G-15)	.. \$ 44.00
2 SXS SALT GEL @ \$ 8.50/	(B-7)	.. \$ 17.00
9 HRS VACUUM TRUCK TO EMPTY PIT TWICE	(G-6)	.. \$ 648.00
DISPOSAL FEE (240 BLS)	(H-1)	.. \$ 156.00
WELDER TO CUT OFF	(G-10)	.. \$ 180.00
DRY HOLE MARKER	(G-11)	.. \$ 125.00
BACKHOE LEVEL LOCATION	(G-7)	.. \$ 180.00

COST TO DATE = \$ 26,592.50