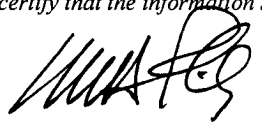


Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico 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. 30-025-01023 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> State Oil & Gas Lease No. VA-3026					
WELL COMPLETION OR RECOMPLETION REPORT AND LOG							
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____		7. Lease Name or Unit Agreement Name State 65					
2. Name of Operator NorthStar Operating Company		8. Well No. 1					
3. Address of Operator P.O. Box 10708, Midland, Texas 79702-7708		9. Pool name or Wildcat Hightower; Atoka, North					
4. Well Location Unit Letter <u>E</u> : <u>1977</u> Feet From The <u>North</u> Line and <u>669</u> Feet From The <u>West</u> Line Section <u>1</u> Township <u>12S</u> Range <u>33E</u> NMPM Lea _____ County _____							
10. Date Spudded 05/18/2006	11. Date T.D. Reached 07/28/2006	12. Date Compl. (Ready to Prod.) 08/05/2006	13. Elevations (DF& RKB, RT, GR, etc.) 4232' GR	14. Elev. Casinghead 4232' GR			
15. Total Depth 11,130'	16. Plug Back T.D. 11,120'	17. If Multiple Compl. How Many Zones? _____	18. Intervals Drilled By 0' - 11,130'	Rotary Tools None			
19. Producing Interval(s), of this completion - Top, Bottom, Name 10,944' - 10,986', Morrow				20. Was Directional Survey Made No			
21. Type Electric and Other Logs Run GR/CPNL/DLL/ML				22. Was Well Cored 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"	40#	298'	17 1/2"	400 sx	None		
9 5/8"	36#	3,940'	12 1/4"	3200 sx	None		
7"	26#	9,349'	8 3/4"	400 sx	6,678'		
24. LINER RECORD			25. TUBING RECORD				
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
4 1/2"	8,764'	11,120'	325		2 3/8"	10,927'	10,861'
26. Perforation record (interval, size, and number) 10,944' - 10,986', 4 shots/foot, 168 holes				27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 10,944-86'			AMOUNT AND KIND OF MATERIAL USED None
28. PRODUCTION							
Date First Production 08/05/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) Producing		
Date of Test 08/13/2006	Hours Tested 24	Choke Size 11/64"	Prod'n For Test Period	Oil - Bbl 40	Gas - MCF 1473	Water - Bbl. 1	Gas - Oil Ratio 36,825
Flow Tubing Press. 2075 psi	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl. 40	Gas - MCF 1473	Water - Bbl. 1	Oil Gravity - API - (Corr.) 54.40	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold to Targa						Test Witnessed By	
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 		Printed Name Mark A. Philpy		Title President		Date 09/26/2006	
E-mail Address mphilpy@northstarop.com							

GWW

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.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, 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

From	To	Thickness In Feet	Lithology