

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OCD-HOBBSFORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other						5. Lease Serial No. NMNM107396					
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____						6. If Indian, Allottee or Tribe Name					
2. Name of Operator Nearburg Producing Company						8. Lease Name and Well No. Wapiti 31 Federal #2					
3. Address 3300 N A St., Bldg 2, Ste 120, Midland, TX 79705				3a. Phone No. (include area code) 432/686-8235		9. API Well No. 30-025-37643					
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 330 FSL and 1830 FEL At top prod. interval reported below At total depth						10. Field and Pool, or Exploratory EK Bone Spring					
14. Date Spudded 1/17/06						15. Date T.D. Reached 2/18/06		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 3/14/06		11. Sec., T., R., M., or Block and Survey or Area Sec 31-18S-34E	
18. Total Depth: MD TVD		10650		19. Plug Back T.D.: MD TVD		10563		20. Depth Bridge Plug Set: MD TVD		12. County or Parish Lea	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) See Attached						22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)					
23. Casing and Liner Record (Report all strings set in well)											
Hole Size	Size/Grade	Wt.(#ft.)	Top (MD)	Bottom (MD)	Stage Cement Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled		
17-1/2	13-3/8	54.5		462		490		Surface	42		
12-1/4	8-5/8	32		3648		1100		Surface	107		
8-3/4	5-1/2	17		10642		1676		Surface	74		
24. Tubing Record											
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-7/8	8996										
25. Producing Intervals						26. Perforation Record					
Formation	Top	Bottom	Perforated Interval	Size	Holes	Perf. Status					
A) Bone Spring	9104	9155	9104-9155	2 JSPF	84	Open					
B) Bone Spring	9606	9632	9606-9632	2 JSPF	53	CIBP@9550 w/10' cmt					
C)											
D)											
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.											
Depth Interval		Amount and Type of Material									
9104-9155		4000 gals 7.5 NEFE HCL; 125 ball sealers; 102780# Super LC 20/40 proppant									
9606-9632		38 bbls 7.5% NEFE acid									
28. Production - Interval A											
Date First Produced 3/15/06	Test Date 3/25/06	Hours Tested 24	Test Production →	Oil BBL 87	Gas MCF 73	Water BBL 22	Oil Gravity 40.8	Gas Gravity	Production Method		
Choke Size 24/64	Tbg. Press. Flwg. SI 70	Csg. Press. NA	24 Hr. →	Oil BBL 87	Gas MCF 73	Water BBL 22	Gas: Oil Ratio 839 :1	Well Status Producing			
28a. Production-Interval B											
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method		
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status			

ACCEPTED FOR RECORD

MAY 26 2006
FlowingLEG BABYAK
PETROLEUM ENGINEER

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

28c. Production-Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. →	Oil BBL	Gas MCF	Water BBL	Gas: Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				Queen	4398
				San Andres	5025
				1st Bone Spring	8974
				2nd Bone Spring	9548

32. Additional remarks (include plugging procedure):

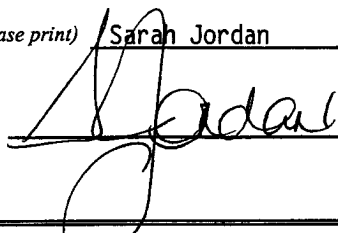
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☒ Electrical/Mechanical Logs (1 full set req'd)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Sarah JordanTitle Production Analyst

Signature


Date 3/30/06

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.