

Submit 1 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. 30-025-24866 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. B-1167
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WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well. OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER _____ b. Type of Completion: NEW ☐ WORK ☐ DEEPEN ☐ PLUG ☒ DIFF WELL OVER BACK RESVR ☐ OTHER _____ 2. Name of Operator HANSON OPERATING COMPANY, INC. 3. Address of Operator P. O. Box 1515, Roswell, New Mexico 88202-1515 4. Well Location Unit Letter <u>O</u> <u>660</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>36</u> Township <u>21 South</u> Range <u>36 East</u> NMPM <u>Lea</u> County _____ 10. Date Spudded 11/05/1974 11. Date T.D. Reached 11/22/1974 12. Date Compl. (Ready to Prod.) 01/15/2008 13. Elevations (DI& RKB, RT, GR, etc) 3493.2' GL 14. Elev. Casinghead _____ 15. Total Depth 6855' 16. Plug Back T.D. 4304' 17. If Multiple Compl. How Many Zones? _____ 18. Intervals Drilled By _____ Rotary Tools 0-6855' Cable Tools _____ 19. Producing Interval(s), of this completion - Top, Bottom, Name 4080' - 4130' San Andres 20. Was Directional Survey Made Yes 21. Type Electric and Other Logs Run CNL, DLL, ML/GR, GR/CBL 22. Was Well Cored No	7. Lease Name or Unit Agreement Name Shell State 8. Well No #1 9. Pool name or Wildcat San Andres SW
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23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB/FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24#	1160'	11"	450	Circulated
5 1/2"	15.5#	6853'	7 7/8"	450	

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 7/8"	4130'	

26. Perforation record (interval, size, and number) CIBP at 4304' 4080' - 4130' 40 holes	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 4080' - 4130' 5000 gal 20% acid
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28. PRODUCTION							
Date First Production 01/15/2008		Production Method (<i>Flowing, gas lift, pumping - Size and type pump</i>) Pumping, 2 1/2" x 16' Tubing Pump			Well Status (<i>Prod. or Shut-in</i>) Producing		
Date of Test 01/23/2008	Hours Tested 24	Choke Size	Prod'n For Test Period	Oil - Bbl 2	Gas - MCF 150	Water - Bbl 165	Gas - Oil Ratio 7500/1
Flow Tubing Press. 60	Casing Pressure 400	Calculated 24-Hour Rate	Oil - Bbl 2	Gas - MCF 150	Water - Bbl 165	Oil Gravity - API - (<i>Corr</i>) 36.3	
29. Disposition of Gas (<i>Sold, used for fuel, vented, etc</i>) Sold						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 <i>Carol J. Smith</i>	Printed Name Carol J. Smith	Title Production Analyst	Date 03/10/2008
E-mail Address hanson@dfn.com			

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	1124'	T. Canyon	T. Ojo Alamo		T. Penn. "B"
T. Salt	1244'	T. Strawn	T. Kirtland-Fruitland		T. Penn. "C"
B. Salt	2490'	T. Atoka	T. Pictured Cliffs		T. Penn. "D"
T. Yates	2645'	T. Miss	T. Cliff House		T. Leadville
T. 7 Rivers	2902'	T. Devonian	T. Menefee		T. Madison
T. Queen	3358'	T. Silurian	T. Point Lookout		T. Elbert
T. Grayburg	3630'	T. Montoya	T. Mancos		T. McCracken
T. San Andres	3992'	T. Simpson	T. Gallup		T. Ignacio Otzite
T. Glorieta	5100'	T. McKee	Base Greenhorn		T. Granite
T. Paddock	5161'	T. Ellenburger	T. Dakota		T.
T. Blinbry	5452'	T. Gr. Wash	T. Morrison		T.
T. Tubb	6247'	T. Delaware Sand	T. Todilto		T.
T. Drinkard	6497'	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
0	1124	1124	Anhydrite				
1124	2490	1366	Base of Salt				
2490	2645	155	Yates				
2645	2902	257	Seven Rivers				
2902	3358	456	Queen				
3358	3630	272	Grayburg				
3630	3992	362	San Andres				
3992	5100	1108	Glorieta				
5100	5161	61	Paddock				
5161	5452	291	Blinbry				
5452	6247	795	Tubb				
6247	6497	250	Drinkard				

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Superseding C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

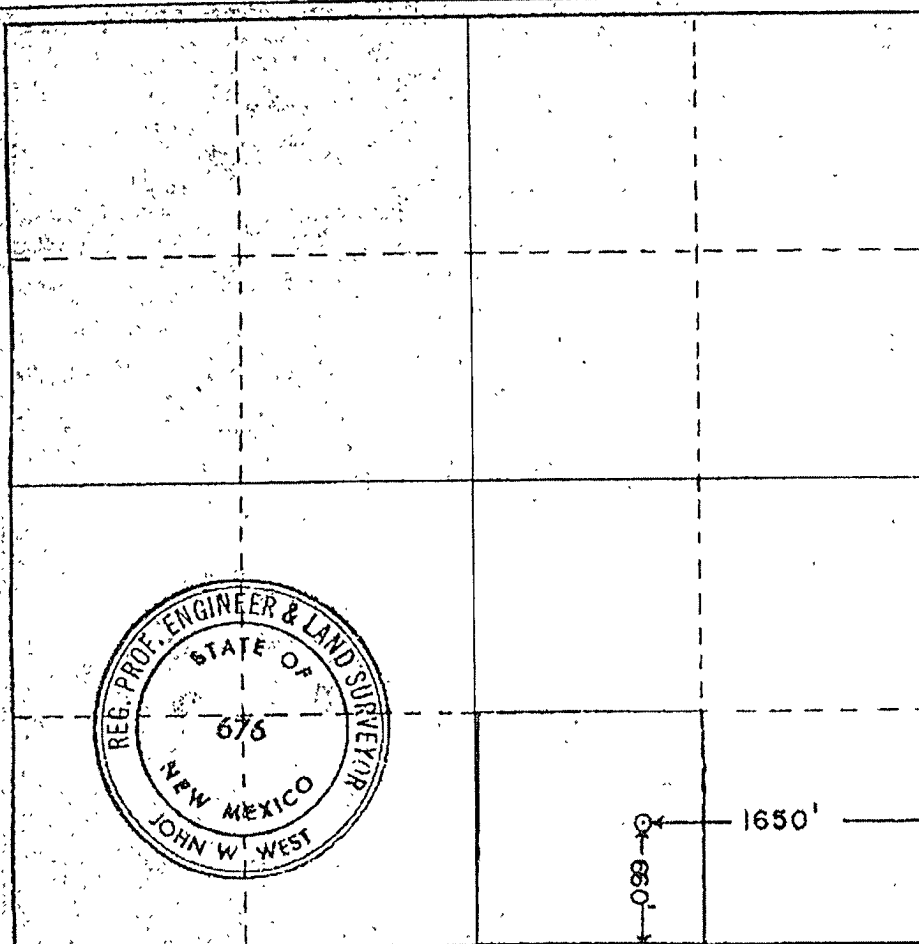
Operator HANSON OIL CORPORATION		Lease SHELL ST.		Well No. 1
Unit Letter O	Section 36	Township 21 SOUTH	Range 36 EAST	County LEA
Actual Footage Location of Well 660 feet from the SOUTH line and 1650 feet from the EAST line				
Ground Level Elev. 3493.2	Producing Formation EUNICE San Andres SW		Pool L2418D	Dedicated Acreage 40

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both in to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Carol J. Smith
Name

Carol J. Smith

Position
Production

Company
Hanson Operating Co.

Date
12/28/2007

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
SEPTEMBER 18, 1974

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. 676

0 320 640 960 1280 1600 1920 2240 2560 2880 3200 3520 3840 4160 4480 4800 5120 5440 5760 6080 6400