

Submit To Appropriate District Office
Five 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 87411
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

Form C-105

June 19, 2008

WELL API NO. 30-025-38617

5. Indicate Type of Lease
STATE ☒ FEE ☐

State Oil & Gas Lease No. L-6377

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 ☐

7. Lease Name or Unit Agreement Name

State G C

2 Name of Operator
Penroc Oil Corporation

8. Well No
002

3 Address of Operator
P. O. Box 2769, Hobbs, NM 88241

9 Pool name or Wildcat
San Simon; Wolfcamp

4. Well Location
Unit Letter C 660 Feet From The North Line and 1980 Feet From The West Line
Section 7 Township 22S Range 35E NMPM County

10. Date Spudded 2/18/2008 11. Date T.D. Reached 4/08/2008 12. Date Rig Released 4/11/2008 13. Date Completed (Ready to Produce) 5/7/2008 14. Elevations (DF and RKB, RT, GR, etc) 3632 GL

15 Total Measured Depth of Well 11,490' 16 Plug Back Measured Depth 11,480' 17. If Multiple Compl How Many Zones?

18 Producing Interval(s), of this completion - Top, Bottom, Name
11,352 - 11,470 Wolfcamp 19. Was Directional Survey Made Yes, attached

20. Type Electric and Other Logs Run
Compensated neutron/GR/Laterlog/Caliper/ BHC 21 Was Well Cored No

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

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	54.5	1229'	17-1/2"	842 lead; 392 c	circ. 570 sxs
8-7/8"	32.0	5574'	11"	1100 50-50 poz; 300 c.	circ. 40 sxs
5-1/2"	20 & 17	11490'	7-7/8"	500 50-50 poz; 400 lite	circ. 85 sxs

23. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

24. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8	11,308	No

25 Perforation record (interval, size, and number)
11,352 - 11,470' 2 spf
11,243 - 11,304' 2 spf

26. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
11352-11470	6000 gal 15%; frac 68000# 20/40
	Jordan, resin-coated in 55398 gal.
11243-11304	5000 gal. 20% gel water

27. PRODUCTION

Date First Production May 6, 2008 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 2 1/2" x 144' x 24' Well Status (Prod. or Shut-in) Waiting on electricity

Date of Test May 7, 2008 Hours Tested 8 Choke Size 2" Prod'n For Test Period 8 Oil - Bbl 46 Gas - MCF 140 Water - Bbl 7 BLW Gas - Oil Ratio 1167

Flow Tubing Press. -- Casing Pressure 35# Calculated 24-Hour Rate 24 Oil - Bbl 138 Gas - MCF 146 Water - Bbl 21 (load) Oil Gravity - API - (Corr.) 43 API

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

Test Witnessed By
Jimmy Evans

29 List Attachments
Directional survey; open hole logs

30 If a temporary pit was used at the well, attach a plat with the location of the temporary pit No. Closed loop.

31 If an on-site burial was used at the well, report the exact location of the on-site burial.

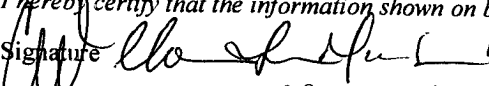
Not applicable

Latitude

Longitude

NAD 1927 1983

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature  Printed Name M. Y. Merchant Title President

June 28, 2008
Date

E-mail Address mymerch@penrocoil.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		T. Strawn		T. Ojo Alamo	T. Penn 'C'
T. Salt	1790 MVD	T. Atoka		T. Kirtland-Fruitland	T. Penn 'D'
B. Salt	3750 MVD	T. Miss		T. Pictured Cliffs	T. Leadville
T. Yates	3800 MVD	T. Devonian		T. Cliff House	T. Madison
T. 7 Rivers	4240 MVD	T. Siluro-Devonian		T. Menefee	T. Elbert
T. Queen		T. Montoya		T. Point Lookout	T. McCracken
T. Grayburg		T. Simpson		T. Mancos	T. Ignacio Otzte
T. San Andres		T. McKee		T. Gallup	T. Granite
T. Glorita		T. Ellenburger		Base Greenhorn	T. Poison Canyon
T. Paddock		T. Gr. Wash		T. Dakota	T. Raton
T. Blinberry		T. Bone Springs	9450 MVD	T. Morrison	T. Vermejo
T. Tubb		T. Santa Rosa		T. Todillo	T. Trinidad SS
T. Drinkard		T. Cimaron Anhy.		T. Entrada	T. Pierre
T. Abo		T. Hueco		T. Wingate	T. Niobrara
T. Wolfcamp	10990 MVD	Delaware Sand	5800 MVD	T. Chinle	T. Sangre De Cristo
T. Wolfcamp B Zone		Bone Springs	10050 MVD	T. Permian	T. Magdalena
T. Cisco		Bone Springs	10750 MVD	T. Penn 'A'	Delaware
T. Canyon				T. Penn 'B'	

OIL OR GAS SANDS OR ZONES

No. 1, from 11,470' to 11,352' No. 3, from _____ to _____
 No. 2, from 11,164' to 11,304' 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 None 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	610	610	Surface rock				
610	860	250	Dolomite				
860	1160	300	Anhydrite, redbed				
1160	2200	1040	Anhydrite,				
2200	3700	1500	Salt, anhydrite				
3700	3810	110	Dolomite, anhydrite, sand				
3810	4205	395	Dolomite, limestone				
4205	5810	1605	Limestone, dolomite, sand				
5810	8300	2490	Shale limestone				
8300	9450	1150	Shale, chert				
9450	10055	605	Shale, dolomite, chert				
10055	10850	795	Limestone				
10850	11470	620	Limestone, shale				

REFERENCE SHEET FOR
UNDESIGNATED WELLS

	Fm	Pm	N	Pc
22-26 C	XX	XX		XX

paragraph

1. Date:	7/7/2008
2. Type of Well:	
Oil:	XX Gas:
3. County:	LEA

4. Operator	PENROC OIL CORP			API NUMBER	30 - 025 - 38617
5. Address of Operator	PO BOX 2769 HOBBS, NM 88241				
6. Lease name or Unit Agreement Name	STATE GC			Well Number	# - 2
8. Well Location	Unit Letter C	660	feet from the N line and 1980 feet from the W line	Section 7	Township 22S Range 35E

9. Completion Date	5/7/2008	11. Perfs	Top	Bottom	TD
			11352	11470	11490
10. Name of Producing Formation(s)	WOLFCAMP		12. Open Hole Casing shoe	Bottom	PBID
					11480

13. C-123 Filed	Date	15	Name of Pool Requested or temporary Wildcat designation	Pool ID num
Y	N	XX	SAN SIMON;WOLFCAMP	53690
16. Remarks	EXTEND			

TO BE COMPLETED BY DISTRICT GEOLOGIST		
17. Action taken	18. Pool Name	Pool ID num
EXTEND	SAN SIMON;WOLFCAMP	53690
<p>T 22 S, R 35 E</p> <p>SEC 7: NW/4</p>		

19. Advertised for HEARING	20. Case Number
21. Name of pool for which was advertised	Pool ID num
SAN SIMON;WOLFCAMP	53690
22. Placed in Pool	23. By order number
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