District 1

1625 N. French Dr., Hobbs, NM 88240

Title:

Clerk

DATE: 8/16/2008

Phone:

(505)394-2586

State of New Mexico Energy, Minerals & Natural Resources Form C-104

Reformatted July 20, 2001 District II 1301 W. Grand Avenue, Artesia, NM 88210 Submit to Appropriate District Office Oil Conservation Division District III 1000 Rio Brazos Rd., Aztec, NM 87410 1220 South St. Francis Dr. District IV Santa Fe, NM 87505 MENDED REPORT 1220 S St. Francis Dr., Santa Fe, NM 87505 REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT ² OGRID Number 19797 1 Operator name and Address Yale E. Key, Inc. dba Key Energy Services, Inc. ³ Reason for Filing Code/ Effective Date P.O. Box 2040 Sale Skim Oil 8/16/2008 155 bbls Hobbs, NM 88241 ⁶ Pool Code ⁵ Pool Name ⁴ API Number 96132 SWD Seven Rivers Queen 30 - 025-04861 Well Number 8 Property Name Property Code Atha SWD 28844 10 Surface Location East/West line North/South Line Feet from the County / Lot.Idn | Feet from the Ul or lot no. Section Township Range SOUTH WEST 660 FT 660 FT 36E M 21S 11 Bottom Hole Location East/West line County Lot Idn | Feet from the | North/South line Feet from the UL or lot no. Section Township Range 17 C-129 Expiration Date 16 C-129 Effective Date 14 Gas Connection ¹⁵ C-129 Permit Number 12 Lse Code 13 Producing Method Code SWD III. Oil and Gas Transporters 22 POD ULSTR Location 21 O/G ²⁰ POD 19 Transporter Name ¹⁸ Transporter and Description and Address OGRID BLÁCK HÁWK GATHERING O P.O. BOX 10815 2809181 215019 MIDLAND, TX 79702 432-631-2260 IV. Produced Water 24 POD ULSTR Location and Description POD V. Well Completion Data ²⁷ TD 30 DHC, MC ²⁸ PBTD ²⁹ Perforations ²⁶ Ready Date ²⁵ Spud Date 34 Sacks Cement 31 Hole Size 32 Casing & Tubing Size 33 Depth Set VI. Well Test Data 38 Test Length ³⁹ Tbg. Pressure 40 Csg. Pressure 35 Date New Oil 36 Gas Delivery Date 37 Test Date ⁴² Oil 44 Gas ⁴⁵ AOF 46 Test Method 43 Water 41 Choke Size OIL CONSERVATION DIVISION ⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Approved by: Signature: Title: Printed name: PETROLEUM ENGINEER RHONDA PASCHAL

Approval Date:

AUG 2 0 2008

BLACK HAWK GATHERING, LLC

P.O. Box 10815 Midland, TX 79702 (432) 631-2260

This ticket covers all claims for allowance

The Oil represented by this ticket was received & run as property of Black Hawk Gathering, LLC.

STORAGE TORO-HOBBS			RUN TICKET NO.				
DATE	UNIT NO	.TK 7	95	TRL	66		
OPERATOR	KEY	ENE	RGY				
LEASE NAME	AT	HA #					
LEASE NO	1ST GAUGE	FEET 6	INCHES		7/4	BBLS. 198	90
63136	2ND GAUGE	وروداناها	4		3/4	43	55
PLEASE COMPLETE ALL BLANKS						155	35
-		O /O	TER	TOTAL B.S).2 _{10%}	FACTOR	
TANK SIZE T	ANK HEIGHT					NET	
OBSERVED GRAVITY	TEMP 78			TRUE		PRICE	
OFF	SEAL.	NUMBER		ON		AMOUNT	
Estimated Barre	155	5, 35					
REJECT							REMARKS
☐ SHORT LOAD ☐ EXCESS BOTTOM			TANK NO				
□ EXCESS BO □ HIGH BS & V	TOP GAUGE						
FLAMMABLE LIQU PETROLEUM CRU	II	BOTTOM GAUGE					

RECEIVED

AUG 1 9 2008 HOBBS OCI