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DEC 04 2008

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010WELL COMPLETION OR RECOMPLETION REPORT AND LOG  
HOBBS

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. NMNM-116168	
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 Seely Oil Company		7. Unit or CA Agreement Name and No.	
3. Address 815 W 10th St., Ft. Worth, TX 76102		8. Lease Name and Well No. EK Penrose Sand Unit #101 ✓	
3a. Phone No. (include area code) 817-332-1377		9. AFI Well No. 30-025-39098 ✓ SI	
4. Location of Well (Report location clearly and in accordance with Federal requirements)*  At surface 330' EXL & 330' FWL ✓  At top prod. interval reported below Same  At total depth 4870'		10. Field and Pool or Exploratory EK-Yates-SR-Queen	
14. Date Spudded 08/26/2008		11. Sec., T, R., M., on Block and Survey or Area Se 19-T18S-R34E	
15. Date T D. Reached 09/09/2008		12. County or Parish Lea County	
16. Date Completed 10/31/2008 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod		13. State NM ✓	
18. Total Depth: MD 4870' TVD		17. Elevations (DF, RKB, RT, GL)*	
19. Plug Back T D. MD 4750' TVD		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) DL/MICRO/DEN/NEU/GR/CAL		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 type="checkbox"/> No <input checked="" 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 Cementer Depth	No. of Sks & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
12 1/4"	8 5/8" J-55	24#/ft	surface	1793'	N/A	800 Class "C"	240	surface	none
7 7/8"	5 1/2" J-55	17#/ft	surface	4831'	N/A	370 sxs Lite + 200 sxs Versa- chem	190	1718'	none

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 7/8"	4749'	----						

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Penrose Sand	4690'	4707'	4690' - 4707'	.33	34	Open
B)						
C)						
D)						

## 27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
4690' - 4707'	1500 gals 7 1/2% NeFe
4690' - 4707'	17000 gals gelled Kcl w/ 22500 lbs 20/40 & 14500 lbs 16/30

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
	11/2/08	24	→	15	3	28	37	.707	Pumping
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
	40	40	→	15	3	24	200/1	Producing	

## 28a. Production - Interval B

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

\*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

NOV 30 2008

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

## 28b. Production - Interval C

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

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

Sold

## 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
Penrose	4690'	4707'	Gray sand	Rustler	1694'
				T/Salt	1775'
				B/Salt	3033'
				Yates	3242'
				Seven Rivers	3656'
				Queen	4422'
				Penrose	4690'

## 32. Additional remarks (include plugging procedure):

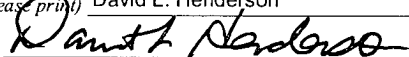
## 33. Indicate which items have been attached by placing a check in the appropriate boxes.

- ☒ 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) David L. HendersonTitle Executive Vice President

Signature

Date 11/05/2008

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.

(Continued on page 3)

(Form 3160-4, page 2)

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JAN 02 2009

WELL NAME AND NUMBER EK Penrose Sand Unit #101  
LOCATION Section 19, T185, R34E, 330 FSL, 330 FWL, Lea County  
OPERATOR Seely Oil Company  
DRILLING CONTRACTOR United Drilling, Inc. 30-025-39098

HOBBSOCD

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation test and obtained the following results:

Degrees @ Depth	Degrees @ Depth	Degrees @ Depth
1/4 @ 299'		
3/4 @ 604'		
3/4 @ 912'		
1/2 @ 1196'		
1 @ 1511'		
1/2 @ 2004'		
1 @ 2511'		
1 1/4 @ 3016'		
3/4 @ 3520'		
3/4 @ 3994'		
3/4 @ 4526'		
1 @ 4839'		

Drilling Contractor- UNITED DRILLING, INC.

By: *Luisa Noriega*  
(Luisa Noriega)

Title: Assistant Office Manager

Subscribed and sworn to before me this 9 day of September 2007.

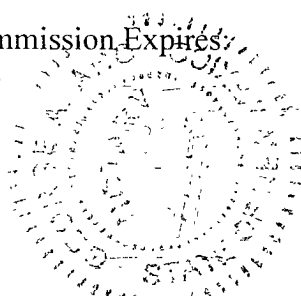
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SEP 29 2008

SEELY OIL COMPANY

My Commission Expires

10-8-08



*David A. Alvarado*  
Notary Public  
Chaves, NM  
County State

*KZ*