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|---|--|--|------------------------|---|--------------|---|--|--|-------------|---------------|--|--|
| Submit To Appropriate District Office Two 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 July 17, 2008 | | | | | | |
| <div style="position: relative; height: 100px;"> <div style="position: absolute; top: 0; left: 0; width: 100%; height: 100%; background-color: black; color: white; font-size: 2em; font-weight: bold; text-align: center; line-height: 1;"> RECEIVED JUL 31 2009 HOBBSON CO </div> </div> | | 1. WELL API NO. 30-025-37995 | | | | | | | | | | |
| | | 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN | | | | | | | | | | |
| | | 3. State Oil & Gas Lease No 35824 | | | | | | | | | | |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | | | | | | | | | |
| 4. Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19.15.17.13.K NMAC) | | | | | | 5. Lease Name or Unit Agreement Name EURO STATE | | | | | | |
| | | | | | | 6. Well Number: 1 | | | | | | |
| 7. Type of Completion <input type="checkbox"/> NEW WELL <input type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/> PLUGBACK <input type="checkbox"/> DIFFERENT RESERVOIR <input checked="" type="checkbox"/> OTHER DRY | | | | | | | | | | | | |
| 8. Name of Operator NADEL AND GUSSMAN PERMIAN, LLC | | | | | | 9. OGRID 155615 | | | | | | |
| 10. Address of Operator 601 N. MARIENFELD, STE 508 MIDLAND TX 79701 | | | | | | 11. Pool name or Wildcat VACUUM GRAYBURG \ SAN ANDRES | | | | | | |
| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County | | |
| Surface: | M | 5 | 17S | 34E | | 990 | SOUTH | 990 | WEST | LEA | | |
| BH: SAME | | | | | | | | | | | | |
| 13. Date Spudded 08/02/06 | 14. Date T.D. Reached 08/12/06 | 15. Date Rig Released 08/14/06 | | 16. Date Completed (Ready to Produce) DRY | | | 17. Elevations (DF and RKB, RT, GR, etc) 4114' | | | | | |
| 18. Total Measured Depth of Well 5506' | | 19. Plug Back Measured Depth 4605' | | 20. Was Directional Survey Made? NO | | | 21. Type Electric and Other Logs Run | | | | | |
| 22. Producing Interval(s), of this completion - Top, Bottom, Name DRY | | | | | | | | | | | | |
| 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 | | 1530 | | 11" | | 675 sxs circ 117 | | | | |
| 5-1/2" | | 15.5 | | 5506 | | 7-7/8" | | 1120 sxs | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| 24. LINER RECORD | | | | | | | | | | | | |
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | | 25. TUBING RECORD | | | | | | |
| | | | | | | SIZE | | DEPTH SET | | PACKER SET | | |
| | | | | | | | | | | | | |
| 26. Perforation record (interval, size, and number) CIBP @ 4640' cap w\ 35' cmt 4660-4666 12 .41 holes; 4912-4926 24 .41 holes 4978-4984 12 .41 holes CIBP @ 5250' cap w\ 35' cmt 5276-5282 12 .41 holes | | | | | | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | | | | | | |
| | | | | | | DEPTH INTERVAL | | AMOUNT AND KIND MATERIAL USED | | | | |
| | | | | | | 4660-4984 | | 1500 gals 15% HCl; 5 mlbs 14/30 lite prop | | | | |
| | | | | | | 5276-5282 | | 48 mlbs 20/40; 43,000 gals 30# gel wtr | | | | |
| 28. PRODUCTION | | | | | | | | | | | | |
| Date First Production None | | Production Method (Flowing, gas lift, pumping - Size and type pump) | | | | Well Status (Prod. or Shut-in) SHUT IN | | | | | | |
| Date of Test DRY | Hours Tested | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl. | Gas - Oil Ratio | | | | | |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl. | Oil Gravity - API - (Corr.) | | | | | | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) NONE | | | | | | | 30. Test Witnessed By | | | | | |
| 31. List Attachments DEVIATION REPORT, WELLBORE SCHEMATIC, LOGS | | | | | | | | | | | | |
| 32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit. | | | | | | | | | | | | |
| 33. If an on-site burial was used at the well, report the exact location of the on-site burial. | | | | | | | | | | | | |
| 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 <u>Kem McCreedy</u> Printed Name Kem McCreedy Title NM Operations Manager Date 7/27/09 E-mail Address kemm@naguss.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 and not later than 60 days after completion of closure. When submitted as a completion report, this 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 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico | | Northwestern New Mexico | |
|---------------------------|------------------|-------------------------|------------------|
| T. Rustler 1500 | T. Canyon | T. Ojo Alamo | T. Penn A" |
| T. Tansill 2640 | T. Strawn | T. Kirtland | T. Penn. "B" |
| B. Salt | T. Atoka | T. Fruitland | T. Penn. "C" |
| T. Yates 2832 | T. Miss | T. Pictured Cliffs | T. Penn. "D" |
| T. 7 Rivers 3128 | T. Devonian | T. Cliff House | T. Leadville |
| T. Queen 3792 | T. Silurian | T. Menefee | T. Madison |
| T. Grayburg | T. Montoya | T. Point Lookout | T. Elbert |
| T. San Andres 4624 | T. Simpson | T. Mancos | T. McCracken |
| T. Glorieta | T. McKee | T. Gallup | T. Ignacio Otzte |
| T. Paddock | T. Ellenburger | Base Greenhorn | T. Granite |
| T. Blinebry | T. Gr. Wash | T. Dakota | |
| T. Tubb | T. Delaware Sand | T. Morrison | |
| T. Drinkard | T. Bone Springs | T. Todilto | |
| T. Abo | T. | T. Entrada | |
| T. Wolfcamp | T. | T. Wingate | |
| T. Penn | T. | T. Chinle | |
| T. Cisco (Bough C) | T. | T. Permian | |

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 |
|------|------|----------------------|---------------|
| 3000 | 3570 | 570 | AHY,SH,SS,DOL |
| 3570 | 3610 | 40 | AHY,SH,SALT |
| 3610 | 4200 | 590 | AHY,DOL,SH,SS |
| 4200 | 4540 | 340 | AHY,DOL,SH |
| 4540 | 5500 | 960 | AHY |

MADEL AND GUSSMAN PERMIAN

Euro State #1

990' FNL & 990' FwL Sec 5-17S-34E

Lea County, NM

API # 30-025-37995

Elev: 4114' GL

CURRENT

17-1/2" hole
13-3/8" 48# H-55 @ 400'
300sxs, cmt circ

12-1/4" hole
8-5/8" 24# J-55 @ 1500'
1200 sxs, cmt to surf

7-7/8" hole
5-1/2" 15.5# J-55 @ 5500'
900 sxs, TOC @ 1500'

F/ 4660-4984 (10/6/06)
w/ 8000# Lite Prop 125 14/30
43,000# 16/30 white
& 20,000 # 16/30 Siber Prop

35' cmt
CIBP @ 4640' (1/19/07)

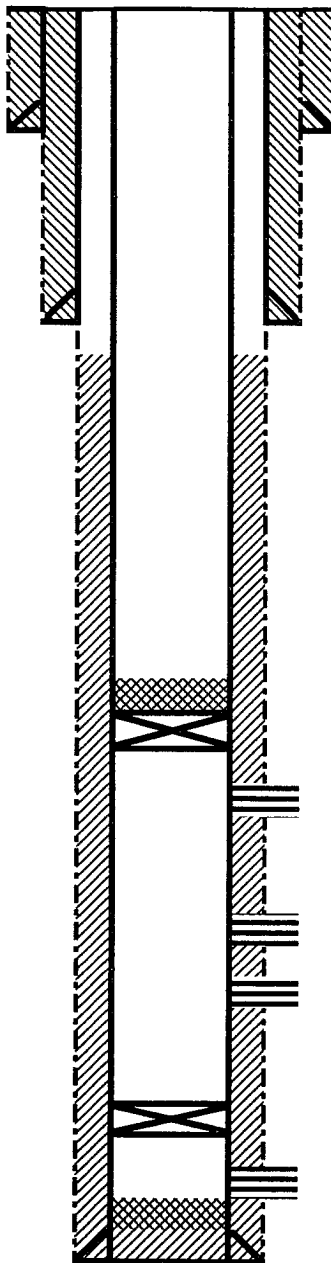
4660-4666' 2352 gal (9/12/06)

4912-4926'

4978-4984' A/1750 gal (9/6/06)

CIBP @ 5250' (9/15/06)

5276-5282' A/1000 gal (9/2/06)



TD ' 5506'