

Submit 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 88216 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505		<b>RECEIVED</b> State of New Mexico Energy, Minerals and Natural Resources <b>Oil Conservation Division</b> 220 South St. Francis Dr. Santa Fe, NM 87505 APR 27 2009 HOBBS CO		<b>Form C-105</b> Revised June 10, 2003  WELL API NO. <b>3045-29024</b> 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.	
<b>WELL COMPLETION OR RECOMPLETION REPORT AND LOG</b>					
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____  b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER _____				7. Lease Name or Unit Agreement Name  <b>Cato San Andres Unit</b>	
2. Name of Operator  <b>Cano Petro of New Mexico, Inc.</b>				8. Well No.  <b>587</b>	
3. Address of Operator  <b>801 Cherry Street, Unit 25 Suite 3200 Fort Worth, TX 76102</b>				9. Pool name or Wildcat  <b>Cato San Andres</b>	
4. Well Location  Unit Letter <b>G</b> : <b>2530</b> Feet From The <b>North</b> Line and <b>2593</b> Feet From The <b>West</b> Line					
Section: <b>14</b>		Township: <b>08S</b>		Range: <b>30E</b>	
				NMPM	
10. Date Spudded <b>5/6/08</b>		11. Date T.D. Reached		13. Elevations (DF& RKB, RT, GR, etc ) <b>4113 FT (GL)</b>	
12. Date Compl. (Ready to Prod.) <b>6/1/08</b>		14. Elev. Casinghead			
15. Total Depth <b>3995</b>		16. Plug Back T.D.		17. If Multiple Compl. How Many Zones?	
				18. Intervals Drilled By	
				Rotary Tools	
				Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name <b>San Andres P1-P2-P3 3474 - 3652</b>					20. Was Directional Survey Made No
21. Type Electric and Other Logs Run <b>GR, Neutron, Density, Resistivity</b>					22. Was Well Cored No
<b>23. CASING RECORD (Report all strings set in well)</b>					
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
<b>8 3/4</b>	<b>24#</b>	<b>850</b>	<b>12 1/4</b>	<b>600</b>	
<b>5 1/2</b>	<b>15.5#</b>	<b>4015</b>	<b>7 7/8</b>	<b>700</b>	
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					<b>2 7/8</b>
					<b>3658'</b>
26. Perforation record (interval, size, and number)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
<b>P1- 3474-3513 P2- 3540-3571 P3- 3630-3652</b>			DEPTH INTERVAL		
			AMOUNT AND KIND MATERIAL USED		
			<b>3474-3652 10,000 gal 28% Acid</b>		
<b>28. PRODUCTION</b>					
Date First Production <b>6/12/08</b>		Production Method (Flowing, gas lift, pumping - Size and type pump) <b>Pumping</b>			Well Status (Prod. or Shut-in) <b>Prod.</b>
Date of Test <b>6/12/08</b>	Hours Tested <b>24 hrs.</b>	Choke Size	Prod'n For Test Period	Oil - Bbl <b>6</b>	Gas - MCF <b>5</b>
				Water - Bbl. <b>159</b>	Gas - Oil Ratio
Flow Tubing Press. <b>0</b>	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl. <b>6</b>	Gas - MCF <b>5</b>	Water - Bbl. <b>159</b>
					Oil Gravity - API - (Corr.) <b>23</b>
29. Disposition of Gas (Sold, used for fuel, vented, etc )					Test Witnessed By
30. List Attachments					
31. Signature <i>Shana McNeal</i> Printed Name <b>Shana McNeal</b> Title <b>Production Assistant I</b> E-mail Address: <a href="mailto:shana@canopetro.com">shana@canopetro.com</a> Date: 07/1/08					

CSAU 587

## 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. Anhy	T. Canyon	T. Ojo Alamo	T. Penn A"
T. Salt 1104	T. Strawn	T. Kirtland	T. Penn. "B"
B. Salt	T. Atoka	T. Fruitland	T. Penn. "C"
T. Yates 1594	T. Miss	T. Pictured Cliffs	T. Penn. "D"
T. 7 Rivers 1760	T. Devonian	T. Cliff House	T. Leadville
T. Queen 2258	T. Silurian	T. Menefee	T. Madison
T. Grayburg	T. Montoya	T. Point Lookout	T. Elbert
T. San Andres 2755	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 3459 to 3516  
No. 2, from 3539 to 3589

No. 3, from 3636 to 3700  
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	
							<b>RECEIVED</b> MAY 12 2009 HOBBSOCO