State of New Mexico

Form C-104 Revised Feb. 26, 2007

District I 1625 N French Dr , Hobbs, NM 88240 District II

1301 W Grand Avenue, Artesia, NM 88210

District III

District III

District III

Submit to Appropriate District Office 5 Copies

1000 Rio Brazos Rd , Aztec, NM 874 JUN 2 4 2009 Oil Conservation Division 1220 S St Francis Dr., Santa Fe, NMOBBSOCD 1220 South St. Francis Dr.

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT		
¹ Operator name and Address Cano Petro Of New Mexico, Inc.		² OGRID Number 248802
801 Cherry Street, Unit 25 Suite 3200 Fort Worth, TX 76102		³ Reason for Filing Code/ Effective Date Return To Production
⁴ API Number 30 - 0 05-20009	⁵ Pool Name Cato; San Andres	⁶ Pool Code 10540
⁷ Property Code 303560	⁸ Property Name Cato San Andres Unit	⁹ Well Number 52

II. 10 Surface Location County Chaves Ul or lot no. Section Township Range Lot Idn Feet from the North/South Feet from the East/West line 50 b60 Line 30E 08S 11 Bottom Hole Location

Lot Idn | Feet from the | North/South line East/West line Feet from the County UL or lot no. Section Township Range 12 Lse Code ¹⁷ C-129 Expiration Date 13 Producing Method 15 C-129 Permit Number ¹⁶ C-129 Effective Date Date

III. Oil and Gas Transporters 20 O/G/W Transporter ¹⁹ Transporter Name and Address Versado Gas Processor, LLC **OGRID** 159160 G 1000 Louisiana St. Suite 4300 Houston, TX 77007

IV. Well Completion Data

21 Spud Date
22 Ready Date ²³ TD ²⁴ PBTD ²⁵ Perforations ²⁶ DHC, MC 4/1/09 3536-3651 3714 3588 29 Depth Set 30 Sacks Cement 27 Hole Size ²⁸ Casing & Tubing Size 12 1/4" 8 5/8" 483 300 3714 7 7/8" 800 4 1/2"

V. Well Test Data
Oil 32 Gas Delivery Date 33 Test Date 34 Test Length 35 Tbg. Pressure 31 Date New Oil ³⁶ Csg. Pressure 24hrs 4/1/09 38 Oil 41 Test Method 37 Choke Size 39 Water 40 Gas 2 Pumping ⁴² I hereby certify that the rules of the Oil Conservation Division have OIL CONSERVATION DIVISION been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature Approved by: Monece Printed name: Title: PETROLEUM ENGINEER Shana McNeal Title: Approval Date: NOV 1 3 2009 Production Assistant E-mail Address: shana@canopetro.com Phone: 817-698-0900 06/3/09