

Submit to Appropriate  
District Office  
State Lease -- 6 copies  
Fee Lease -- 5 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-105  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Draw # DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Arizos Rd., Aztec, NM 87410

|                              |                                                                        |
|------------------------------|------------------------------------------------------------------------|
| WELL API NO.                 | 30-025-34002                                                           |
| 5. Indicate Type of Lease    | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. | VA 996                                                                 |

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|                                                                                                                                                                                                                                                 |                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1a. Type of Well:<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>                                                                                 | 7. Lease Name or Unit Agreement Name<br>ESTACADO 14 STATE |
| b. Type of Completion:<br>NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER <input type="checkbox"/> |                                                           |
| 2. Name of Operator<br>RAND PAULSON OIL COMPANY, INC.                                                                                                                                                                                           | 8. Well No.<br>1                                          |
| 3. Address of Operator<br>508 W. WALL, STE 100 MIDLAND, TX 79701                                                                                                                                                                                | 9. Pool name or Wildcat<br>HI PLAINS PERMO-PENN           |

|                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. Well Location<br>Unit Letter <u>G</u> : <u>1980</u> Feet From The <u>NORTH</u> Line and <u>1980</u> Feet From The <u>EAST</u> Line<br>Section <u>14</u> Township <u>14-S</u> Range <u>34-E</u> NMPM <u>LEA</u> County |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                          |                                  |                                              |                                                    |                                        |
|------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------|----------------------------------------------------|----------------------------------------|
| 10. Date Spudded<br>6-6-97                                                               | 11. Date T.D. Reached<br>12,593' | 12. Date Compl. (Ready to Prod.)<br>8-22-97  | 13. Elevations (DF & RKB, RT, GR, etc.)<br>4097 GR | 14. Elev. Casinghead<br>4114' (17')    |
| 15. Total Depth<br>12,593                                                                | 16. Plug Back T.D.<br>10,400'    | 17. If Multiple Compl. How Many Zones?<br>NA | 18. Intervals Drilled By<br>ALL                    | Cable Tools                            |
| 19. Producing interval(s), of this completion - Top, Bottom, Name<br>9607-9612' WOLFCAMP |                                  |                                              |                                                    | 20. Was Directional Survey Made<br>YES |
| 21. Type Electric and Other Logs Run<br>PLATFORM EXPRESS                                 |                                  |                                              |                                                    | 22. Was Well Cored<br>No               |

CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB/FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD     | AMOUNT PULLED |
|-------------|---------------|-----------|-----------|----------------------|---------------|
| 13 3/8"     | 48            | 445'      | 17 1/2"   | 450 SX C + 290 CACL2 | NONE          |
| 8 5/8"      | 32            | 6200'     | 11"       | 2300 SX (DI @ 4000') | NONE          |
| 5 1/2"      | 17            | 12593'    | 7 7/8"    | 1108 SX              | NONE          |
|             |               |           |           |                      |               |
|             |               |           |           |                      |               |

|                  |     |        |              |                   |        |           |            |
|------------------|-----|--------|--------------|-------------------|--------|-----------|------------|
| 24. LINER RECORD |     |        |              | 25. TUBING RECORD |        |           |            |
| SIZE             | TOP | BOTTOM | SACKS CEMENT | SCREEN            | SIZE   | DEPTH SET | PACKER SET |
|                  |     |        |              |                   | 2 3/8" | 9612'     | 9550       |

|                                                                                                                                                                                                            |                                                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| 26. Perforation record (interval, size, and number)<br>12518-12525 0.41" 14 CIBP-12490'+35' cmt<br>11751-11768 0.41" 34 " -11,720'+35' cmt<br>10448-10452 0.41" 8 " -10,400'+35' cmt<br>9607-9612 0.41" 10 | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.<br>DEPTH INTERVAL<br>9607-9612<br>AMOUNT AND KIND MATERIAL USED<br>3000 GAL 15% NEFE |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|

PRODUCTION

|                                     |                     |                                                                                |                        |                    |                   |                                        |                          |
|-------------------------------------|---------------------|--------------------------------------------------------------------------------|------------------------|--------------------|-------------------|----------------------------------------|--------------------------|
| 28. Date First Production<br>8-9-97 |                     | Production Method (Flowing, gas lift, pumping - Size and type pump)<br>PUMPING |                        |                    |                   | Well Status (Prod. or Shut-in)<br>PROD |                          |
| Date of Test<br>10-26 to 11-12-97   | Hours Tested<br>432 | Choke Size<br>—                                                                | Prod'n For Test Period | Oil - Bbl.<br>1181 | Gas - MCF<br>486  | Water - Bbl.<br>0                      | Gas - Oil Ratio<br>412:1 |
| Flow Tubing Press.                  | Casing Pressure     | Calculated 24-Hour Rate                                                        | Oil - Bbl.<br>66       | Gas - MCF<br>27    | Water - Bbl.<br>0 | Oil Gravity - API - (Corr.)<br>40.5    |                          |

|                                                                      |                                    |
|----------------------------------------------------------------------|------------------------------------|
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)<br>VENTED | Test: Witnessed By<br>ROGER GRAVES |
|----------------------------------------------------------------------|------------------------------------|

30. List Attachments

31. 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 [Signature] Printed Name O.H. ROUTH Title AGENT Date 11-26-97