

Type or print only

API No. <u>42-003-40625</u>			7. RRC District No. <u>8</u>
Oil Well Potential Test, Completion or Recompletion Report, and Log			8. RRC Lease No. <u>39004</u>
1. FIELD NAME (as per RRC Records or Wildcat) <u>SHAPIER LAKE (SAN ANTONIO)</u>	2. LEASE NAME <u>UNIVERSITY 14</u>		9. Well No. <u>6</u>
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) <u>PACKSETTER ENERGY, LLC</u>		RRC Operator No. <u>633120</u>	10. County of well site <u>ANDREWS</u>
4. ADDRESS <u>2001 TIMBER CREEK RD, FRUITLAND, TX 75028</u>			11. Purpose of filing Initial Potential <input checked="" type="checkbox"/> Retest <input type="checkbox"/> Reclass <input type="checkbox"/> Well record only (explain in Remarks) <input type="checkbox"/>
5. If Operator has changed within last 60 days, name former operator			
6a. Location (Section, Block, and Survey) <u>SECTION 14, BLOCK 14, VL SURVEY</u>		6b. Distance and direction to nearest town in this county. <u>9.7 MI NW OF ANDREWS</u>	
12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no. FIELD & RESERVOIR		GAS ID or OIL LEASE #	OIL - O Gas - G WELL NO.
13. Type of electric or other log run <u>GR/COG/CNL</u>		14. Completion or recompletion date <u>12/20/2008</u>	

SECTION I: POTENTIAL TEST DATA IMPORTANT: Test should be for 24 hours unless otherwise specified in field rules.

15. Date of test <u>1/1/2009</u>	16. No. of hours tested <u>24</u>	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) <u>PUMPER - 2 1/2" x 2" x 24" RWBC</u>			18. Choke size <u>N/A</u>
19. Production during Test Period	Oil - BBLs <u>24</u>	Gas - MCF <u>8</u>	Water - BBLs <u>217</u>	Gas - Oil Ratio <u>333</u>	Flowing Tubing Pressure <u>80</u> PSI
20. Calculated 24-Hour Rate	Oil - BBLs <u>24</u>	Gas - MCF <u>8</u>	Water - BBLs <u>217</u>	Oil Gravity—API—60° <u>29.7</u>	Casing Pressure <u>80</u> PSI
21. Was swab used during this test? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		22. Oil produced prior to test (New & Reworked wells) <u>79 bbis</u>			23. Injection Gas—Oil Ratio <u>N/A</u>
REMARKS: <u>INITIAL COMPLETION REPORT</u>					

INSTRUCTIONS: File an original and one copy of the completed Form W-2 in the appropriate RRC District Office within 30 days after completing a well and within 10 days after a potential test. If an operator does not properly report the results of a potential test within the 10-day period, the effective date of the allowable assigned to the well will not extend back more than 10 days before the W-2 was received in the District Office. (Statewide Rules 16 and 51) To report a completion or recompletion, fill in both sides of this form. To report a retest, fill in only the front side.

ENTERED
SEP 17 2009
BY: _____

WELL TESTER'S CERTIFICATION
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test by observation of (a) meter readings or (b) the top and bottom gauges of each tank into which production was run during the test. I further certify that the potential test data shown above is true, correct, and complete, to the best of my knowledge.

Signature: Well Tester _____ Name of Company _____ RRC Representative _____

OPERATOR'S CERTIFICATION
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Typed or printed name of operator's representative: JOSH BEYANT
Title of Person: ENGINEER

Telephone: Area Code Number Date: mo. day year
972-691-3332 7/23/2009
Signature: _____

SECTION II DATA ON WELL COMPLETION AND LOG (Not Required on Retest)

24. Type of Completion: New Well Deepening Plug Back Other

25. Permit to Drill, Plug Back or Deepen DATE 7/14/2008 PERMIT NO. 665019
 Rule 37 CASE NO.
 Exception
 Water Injection PERMIT NO.
 Permit
 Salt Water Disposal PERMIT NO.
 Permit
 Other PERMIT NO.

26. Notice of Intention to Drill this well was filed in Name of PACOSSETTER ENERGY, INC

27. Number of producing wells on this lease in this field (reservoir) including this well 5
 28. Total number of acres in this lease 440

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 10/27/08 Completed 12/1/08
 30. Distance to nearest well, Same Lease & Reservoir 1332'

31. Location of well, relative to nearest lease boundaries of lease on which this well is located 1960 Feet From SOUTH Line and 1960 Feet from WEST Line of the UNIVERSITY 14 Lease

32. Elevation (D.F. RKB. RT. GR. ETC.) 3226 GL
 33. Was directional survey made other than inclination (Form W-12)? Yes No

34. Top of Pay 4505' 35. Total Depth 4800' 36. P. B. Depth 4760
 37. Surface Casing Determined by: Field Rules Recommendation of T.D.W.R. Railroad Commission (Special)
 Dt. of Letter
 Dt. of Letter

38. Is well multiple completion? NO
 39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. FIELD & RESERVOIR
 40. Intervals Drilled by: Rotary Tools X Cable Tools

41. Name of Drilling Contractor FAITH DRILLING
 42. Is Cementing Affidavit Attached? Yes No

43. CASING RECORD (Report All Strings Set in Well)

CASING SIZE	WT #/FT.	DEPTH SET	MULTISTAGE TOOL DEPTH	TYPE & AMOUNT CEMENT (sacks)	HOLE SIZE	TOP OF CEMENT	SLURRY VOL. cu. ft.
<u>8 5/8"</u>	<u>24#</u>	<u>1740'</u>	<u>N/A</u>	<u>795 SX 'C'</u>	<u>12 1/4"</u>	<u>CIRC</u>	<u>1404</u>
<u>5 1/2"</u>	<u>15.5#</u>	<u>4600'</u>	<u>N/A</u>	<u>1050 SX 'C'</u>	<u>7 7/8"</u>	<u>CIRC</u>	<u>1877</u>

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen
<u>N/A</u>				

45. TUBING RECORD

Size	Depth Set	Packer Set	From	To
<u>2 7/8"</u>	<u>4751'</u>	<u>N/A</u>	<u>4506</u>	<u>4708</u>

46. Producing Interval (this completion) Indicate depth of perforation or open hole

From	To
<u>4506</u>	<u>4708</u>

47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

Depth Interval	Amount and Kind of Material Used
<u>4506-4708</u>	<u>A / 3000 GALS 15% HCl</u> <u>F / 370 bbls 10# BRINE AND</u> <u>22,200 # OF 14/30 LITEPROP</u>

48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)

Formations	Depth	Formations	Depth
<u>YATES</u>	<u>2855</u>		
<u>SAN ANDRES</u>	<u>4505</u>		

REMARKS _____

**RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION**

Form W-12
(1-1-71)

INCLINATION REPORT (One Copy Must Be Filed With Each Completion Report.)		6. RRC District 8
		7. RRC Lease Number. (Oil completions only)
1. FIELD NAME (as per RRC Records or Wildcat)	2. LEASE NAME University "14"	8. Well Number 6
3. OPERATOR Pacesetter Energy, LLC		9. RRC Identification Number (Gas completions only)
4. ADDRESS 2001 Timber Creek Road Flower Mound, TX 75028		10. County Andrews
5. LOCATION (Section, Block, and Survey) Section 14, Block 14, ULS		

RECORD OF INCLINATION

*11. Measured Depth (feet)	12. Course Length (Hundreds of feet)	*13. Angle of Inclination (Degrees)	14. Displacement per Hundred Feet (Sine of Angle X100)	15. Course Displacement (feet)	16. Accumulative Displacement (feet)
259	2.59	1/4°	0.44	1.14	1.14
501	2.42	1/2°	0.87	2.11	3.25
998	4.97	1/4°	0.44	2.19	5.44
1468	4.70	1/4°	0.44	2.07	7.51
1740	2.72	1/2°	0.87	2.37	9.88
1982	2.42	1 3/4°	3.06	7.41	17.29
2138	1.56	1 1/4°	2.19	3.42	20.71
2295	1.57	1 1/2°	2.63	4.13	24.84
2450	1.55	2°	3.49	5.41	30.25
2605	1.55	1 3/4°	3.06	4.74	34.99
2764	1.59	2 1/4°	3.93	6.25	41.24
2918	1.54	2 1/2°	4.37	6.73	47.97
3075	1.57	2°	3.49	5.48	53.45
3231	1.56	2°	3.49	5.44	58.89
3385	1.54	2°	3.49	5.37	64.26
3881	4.96	1 1/2°	2.63	13.04	77.30

If additional space is needed, use the reverse side of this form.

17. Is any information shown on the reverse side of this form? yes no
18. Accumulative total displacement of well bore at total depth of 4800 feet = 101.47 feet.
- *19. Inclination measurements were made in - Tubing Casing Open hole Drill Pipe
20. Distance from surface location of well to the nearest lease line _____ feet.
21. Minimum distance to lease line as prescribed by field rules _____ feet.
22. Was the subject well at any time intentionally deviated from the vertical in any manner whatsoever? No
- (If the answer to the above question is "yes", attach written explanation of the circumstances.)

<p>INCLINATION DATA CERTIFICATION</p> <p>I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of the inclination data and facts placed on both sides of this form and that such data and facts are true, correct, and complete to the best of my knowledge. This certification covers all data as indicated by asterisks (*) by the item numbers on this form.</p> <p>Signature of Authorized Representative <u>Jeff Guffey, Drlg. Supt.</u></p> <p>Name of Person and Title (type or print) <u>Faith Drilling, L.L.C.</u></p> <p>Name of Company <u>(432)- 758-6352</u></p> <p>Telephone: <u>Area Code</u></p>	<p>OPERATOR CERTIFICATION</p> <p>I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have personal knowledge of all information presented in this report, and that all data presented on both sides of this form are true, correct, and complete to the best of my knowledge. This certification covers all data and information presented herein except inclination data as indicated by asterisks (*) by the item numbers on this form.</p> <p>Signature of Authorized Representative <u>Josh Bryant - Emburged</u></p> <p>Name of Person and Title (type or print) <u>PACESSETTER ENERGY, LLC</u></p> <p>Operator <u>972 691-3332</u></p> <p>Telephone: <u>Area Code</u></p>
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Railroad Commission Use Only:

Approved By: _____ Title: _____ Date: _____

* Designates items certified by company that conducted the inclination surveys.

Cementer: Fill in shaded areas
Operator: Fill in other items

RAILROAD COMMISSION OF TEXAS

Oil and Gas Division

1. Operator's Name (As Shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
FACESETTER ENERGY	633120	8	ANDREWS
5. Field Name (Wildcat or Exactly as Shown on RRC Records)	6. API No.	7. Drilling Permit No.	
SHAFER LAKE (SAW ANDREWS)	42-003-40625	665019	
8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well Number
UNIVERSITY 14		39004	#6

CASING CEMENTING DATA:		SURFACE CASING	INTERMEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				SINGLE STRING	MULTIPLE PARALLEL STRINGS	TOOL	SHOE
12. Cementing Date		11/28/2008					
13. *Drilled Hole Size		12 1/4					
*Ext. % Wash or Hole Enlargement							
14. Size of Casing (in. O.D.)		8 5/8					
15. Top of Liner (ft)		N/A					
16. Setting Depth (ft)		1740					
17. Number of Centralizers Used		11					
18. Hrs. Waiting on Cement Before Drill-Out		4					
1 st Slurry	19. API Cement Used: No. of Sacks >	565					
	Class >	C 65/35 POZ					
	Additives >	SEE REMARKS 1					
2 nd Slurry	No. of Sacks >	230					
	Class >	CLASS C					
	Additives >	SEE REMARKS 2					
3 rd Slurry	No. of Sacks >						
	Class >						
	Additives >						
1st	20. Slurry Pumped: Volume (cu.ft.) >	1096					
	Height (ft) >	2656					
2nd	Volume (cu.ft.) >	308					
	Height (ft) >	746					
3rd	Volume (cu.ft.) >						
	Height (ft) >						
	Volume (cu.ft.) >	1404					
	Height (ft) >	3402					
21. Was Cement Circulated to Ground Surface (or Bottom of Casing) Outside Casing?		YES					

22. Remarks
1 6% GEL + 5% SALT + .125#/SX CELLO-FLAKE
2 2% CaC12

CIRCULATED 150 SKS TO THE PIT

Cementer: Fill in shaded areas
Operator: Fill in other items

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

1. Operator's Name (As Shown on Form P-5, Organization Report) PACESETTER ENERGY	2. RRC Operator No. 633120	3. RRC District No. 8	4. County of Well Site ANDREWS
5. Field Name (Wildcat or Exactly as Shown on RRC Records) SHAFER LAKE (SAR ANDRES)		6. API No. 42-003-40625	7. Drilling Permit No. 665619
8. Lease Name UNI9VERSITY 14	9. Rule 37 Case No.	10. Oil Lease/Gas ID No. 39004	11. Well Number #6

CASING CEMENTING DATA:		SURFACE CASING	INTERMEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				SINGLE STRING	MULTIPLE PARALLEL STRINGS	TOOL	SHOE
12. Cementing Date				12/5/2008			
13. *Drilled Hole Size				7 7/8			
*Ext. % Wash or Hole Enlargement							
14. Size of Casing (in. O.D.)				5 1/2			
15. Top of Liner (ft)				N/A			
16. Setting Depth (ft)				4800			
17. Number of Centralizers Used				25			
18. Hrs. Waiting on Cement Before Drill-Out				48			
1st Slurry	19. API Cement Used: No. of Sacks >			800			
	Class >			C(50:50:10)			
	Additives >			REMARKS 1			
2nd Slurry	No. of Sacks >			250			
	Class >			C(50:50:2)			
	Additives >			REMARKS 2			
3rd Slurry	No. of Sacks >						
	Class >						
	Additives >						
1st	20. Slurry Pumped: Volume (cu.ft.) >			1552			
	Height (ft) >			8955			
2nd	Volume (cu.ft.) >			325			
	Height (ft) >			1875			
3rd	Volume (cu.ft.) >						
	Height (ft) >						
	Volume (cu.ft.) >			1877			
	Height (ft) >			10830			
21. Was Cement Circulated to Ground Surface (or Bottom of Cella) Outside Casing?				YES			
22. Remarks 1: 10%GEL+5%SALT+2#/SK KOLSEAL+125#/SK CELLOFLAKE+2/10% SMS							
23. REMARKS 2: 2%GEL+5%SALT+2/10%C-12+2/10%C-37							