

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form W-2
Rev. 4/1/83
483-046

Type or print only

API No. 42-003-41304				7. RRC District No. 08
Oil Well Potential Test, Completion or Recompletion Report, and Log				8. RRC Lease No.
1. FIELD NAME (as per RRC Records or Wildcat) Spraberry (Trend Area)		2. LEASE NAME University 35		9. Well No. 2
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) Zenergy, Inc.			RRC Operator No. 950615	10. County of well site Andrews
4. ADDRESS 6100 S. Yale Avenue, Suite 1700, Tulsa, OK 74136				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) Sec. 35, Blk 5, ULS		6b. Distance and direction to nearest town in this county. 15.10 mi NE from Andrews		
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 Array Induction/Gamma Ray/Density Neutron/CBL			14. Completion or recompletion date 03/04/2010	

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

15. Date of test 03/18/10	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) 1.5" rod pump		18. Choke size 64/64
19. Production during Test Period	Oil - BBLS 98	Gas - MCF 126	Water - BBLs 316	Gas - Oil Ratio 398.73
20. Calculated 24-Hour Rate	Oil - BBLS 98	Gas - MCF 126	Water - BBLs 613	Oil Gravity—API—60° 37.6
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) 94 bbls		23. Injection Gas—Oil Ratio n/a

REMARKS:

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.

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.

Scott Adami **Zenergy, Inc.**
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.

Patti Jo Barger **Regulatory/Engineering Assistant**
Typed or printed name of operator's representative Title of Person
918-488-6402 **04 / 05 / 10**
Telephone: Area Code Number Date: mo. day year Signature Patti Jo Barger

SECTION II DATA ON WELL COMPLETION AND LOG (Not Required on Retest)							
24. Type of Completion: New Well <input checked="" type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input type="checkbox"/> Other <input type="checkbox"/>				25. Permit to Drill, Plug Back or Deepen DATE: 12/4/09 PERMIT NO.: 687103 Rule 37 CASE NO. Exception Water Injection PERMIT NO. Permit Salt Water Disposal PERMIT NO. Other PERMIT NO.			
26. Notice of Intention to Drill this well was filed in Name of Zenergy, Inc.							
27. Number of producing wells on this lease in this field (reservoir) including this well 1		28. Total number of acres in this lease 40					
29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 1/3/10 Completed 1/26/10		30. Distance to nearest well, Same Lease & Reservoir					
31. Location of well, relative to nearest lease boundaries of lease on which this well is located 467 Feet From E Line and 467 Feet from S Line of the University 35 lease				32. Elevation (DF, KB, RT, GR, ETC.) 2996' DF, 2997' KB, 2979' GR			
33. Was directional survey made other than inclination (Form W-12)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				34. Top of Pay 8660'			
35. Total Depth 10098'		36. P. B. Depth 10038'		37. Surface Casing Determined by: Field <input type="checkbox"/> Rules <input type="checkbox"/>		38. Recommendation of T.D.W.R. Railroad Commission (Special) <input checked="" type="checkbox"/> 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 <input checked="" type="checkbox"/> Cable Tools	
41. Name of Drilling Contractor Patterson				42. Is Cementing Affidavit Attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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	SILURRY VOL. cu. ft.
13-3/8	48#	318		390 Hal/cem	17-1/2	surface	526.5
9-5/8	36#/40#	2461/5174	3688	2460Versa/Hal	12-1/4	surface	3742
5-1/2	17#	10090	7510	1010Versa/Econ	8-3/4	surface	1909.7
44. LINER RECORD							
Size	TOP	Bottom	Sacks Cement	Screen			
45. TURNING RECORD				46. Producing Interval (this completion) Indicate depth of perforation or open hole			
Size	Depth Set	Packer Set	From	To	From	To	
2-7/8	10034'	8380' TAC	9839	9990	9392	9684	
			8931	9266	8660	8850	
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.							
Depth Interval				Amount and Kind of Material Used			
9839 - 9990				200,000# versa prop w/4003 bbls gel wtr			
9392 - 9684				230,000# versa prop w/4158 bbls gel wtr			
8931 - 9266				185,000# versa prop w/3267 bbls gel wtr			
8660 - 8850				185,000# versa prop w/3261 bbls gel wtr			
48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)							
Formations	Depth	Formations	Depth				
Clearfork Dolomite	7061	Dean	9684				
Tubbs	7394	Wolfcamp LS	9938				
1st Spraberry	8180						
REMARKS							