

JUL 12 2007

Form G-1
Rev. 4/1/83

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Type or print only

483-047

API No. 42-103- 35363

7. RRC District No.

8

8. RRC Gas ID No.

Gas Well Back Pressure Test,
Completion or Recompletion Report and Log

1. FIELD NAME (as per RRC Records or Wildcat)

Block 31 (Queen)

2. LEASE NAME

University B

9. Well No.

8

3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report)

Merit Energy Company

RRC Operator No.

561136

10. County of well site

Crane

4. ADDRESS

13727 Noel Road, Suite 500 Dallas, Texas 75240

11. Purpose of filling

Initial Potential

☒

Retest

☐

Reclass

☐

Well record only
(Explain in remarks)

☐

5. Location (Section, Block, and Survey)

Sec. 14, Blk. 31, ULS

5b. Distance and direction to nearest town in this county.

9 miles NW from Crane

6. If operator has changed within last 60 days,
name former operator

12. If workover or reclass, give former field (with reservoir) & Gas ID or
oil lease no.

GAS ID or
OIL LEASE #

Oil - O
Gas - G

WELL
#

13. Pipe Line Connection

Yes

FIELD & RESERVOIR

14. Completion or recompletion date

4/22/07

15. Any condensate on hand at time of workover
or recompletion? ☐ Yes ☒ No

16. Type of Electric or other Log Run.

Section I

GAS MEASUREMENT DATA

Date of Test		Gas Measurement Method (Check One)							Gas produced during test	
06/19 - 06/22/07		Orifice Meter ☒	Flange Taps ☒	Pipe Taps ☐	Positive Choke ☐	Orifice Vent Meter ☐	Pitot Tube ☐	Critical-flow Prover ☐	117 MCF	
Run No.	Line Size	Orif or Choke Size	24 Hr. Coeff. Orif or Choke	Static P _m or Choke Press	Diff. h _w	Flow Temp. °F	Temp. Factor F _T	Gravity Factor F _g	Compress Factor F _{pv}	Gas Rate MCF / DAY
1	2.900	0.375	884.18	60	39.00	85	0.9768	0.9305	1.0078	39
2										
3										
4										

Section II

FIELD DATA AND PRESSURE CALCULATIONS

Gravity (Dry Gas) 0.6930		Gravity Liquid Hydrocarbon ----- Deg. API		Gas-Liquid Hydrocarbon Ratio Dry CF/Bbl		Gravity of Mixture G _{mix} = 0.6930		Avg. Shut-in Temp. 90 °F		Bottom Hole Temp. 107 °F @ 3011 ft (Depth)	
(D _{eff}) ^{8/3} = 6.307			$\sqrt{T_f} = \sqrt{553} = 23.52$				$\sqrt{GL} = \sqrt{2086.623} = 45.680$				
C = $\frac{1118 \times (D_{eff})^{8/3}}{\sqrt{T}}$ = 1118 x 6.307 / 23.52 = 299.849						$\frac{\sqrt{GL}}{C} = 45.680 / 299.849 = 0.1523$					
Run No.	Time of Run Minutes	Choke Size	Wellhead Press. PSIA P _w	Wellhead Flow Temp. °F	P _w ² (Thousands)	R	R ² (Thousands)	P ₁	P _w / P ₁		
Shut-In	24 hrs	SI	65	74	4.2	0.0	0.0000	65	1.0000		
1	4320	Open	15	80	0.2	5.9	0.0353	16	0.9375		
2											
3											
4											
Run No.	F	K	S = $\frac{1}{z}$	E _{ks}	P _f and P _s	P _f ² and P _s ² (Thousands)	P _f ² - P _s ² (Thousands)	Angle of Slope			
Shut-In	1.0000	0.0711	1.0080	1.0743	70	5		⊙ 45.00°			
1	0.9691	0.0686	0.9999	1.0710	17	0	5	n 1.0000			
2											
3								Absolute Open Flow			
4								40 MCF / DAY			

WELL TESTER'S CERTIFICATION: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I conducted or supervised this test and that data and facts shown in Sections I and II above are true, correct, and complete, to the best of my knowledge. Bottomhole temperature and the diameter and length of flow string were furnished by the operator of the well.

Doug McNeely
Signature: Well Tester

FESCO, Ltd.

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 I prepared or supervised and directed this report, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Glenn M. Dander
Signature: Operator's representative

Sr. Reg. Analyst

Title

Date

Tel: (972) 628-1610

A/C

Number

✓ Fox
7/12/07

Section III

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

17. Type of Completion:

New Well



Deepening



Plug Back



Other



19. Notice of Intention to Drill this well was filed in the Name of

Merit Energy Company

20. Number of producing wells on this lease in this field (reservoir) including this well

1

21. Total number of acres in this lease

320

22. Date Plug Back, Deepening, WorkOver or Drilling Operations:

Commenced

4/9/07

Completed

4/14/07

23. Distance to nearest well, Same Lease & Reservoir

1st well

24. Location of well, relative to nearest lease boundaries of lease on which this well is located

544

Feet From

south

Line and

1980

Feet From

west

Line of the

University -B-

Lease

25. Elevation (DF, RKB, RT, GR, ETC.)

2704' GR

26. Was directional survey made other than inclination (Form W-12)?



Yes



No

27. Top of Pay

2912'

28. Total Depth

3204'

29. P. B. Depth

3148'

30. Surface Casing Determined by:

Field

Rules

Recommendation of T.D.W.R.



Dt. of Letter

2/6/07

Railroad Commission (Special)



Dt. of Letter

31. Is well multiple completion?



Yes



No

32. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No.

FIELD & RESERVOIR

GAS ID or OIL LEASE #

Oil-O Gas-G

Well #

33. Intervals Drilled by:

Rotary Tools

Cable Tools



34. Name of Drilling Contractor

Lariat Services, Inc.

35. Is Cementing Affidavit Attached



Yes



No

36. 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.
8-5/8"	24# 15.5X	756'		195 Keylite	12-1/4"	Surf/Circ	371
				160 Keylite			264
5-1/2"	15.5#	3200'		500 50/50	7-7/8"	Surf/Circ	1115
				340 50/50			425

37.

LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

38.

TUBING RECORD

Size	Depth Set	Packer Set	From	To
2.375"	2972 ft		2912'	2975'
			3001'	3021'

40.

ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

Depth Interval	Amount and Kind of Material Used
3001' - 3020'	5000 gals 15% WRFC Acid, Frac w/45,080#
	16/30 Brady Sand
3021' - 2912'	3 bbls acid, 5000 gals 15% HCL

41.

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

Formations	Depth	Formations	Depth
Queen	2912'		

REMARKS:

NOTE: FESCO, Ltd. conducted this test as requested by the operator for the express purpose of satisfying RRC requirements. FESCO, Ltd. does not certify its suitability for any other purpose. If clarification is required, contact FESCO, Ltd.

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

GAS WELL
CLASSIFICATION REPORT

Form G-5

Rev. 01/01/86
DBC1297

READ INSTRUCTIONS ON BACK

1. OPERATOR NAME (Exactly as shown on Form P-5 Organization Report) Merit Energy Company		3. RRC DISTRICT NO. 08	4. OIL LEASE NO. OR GAS WELL ID NO.
2. MAILING ADDRESS 13727 Noel Road, Suite 500 Dallas, Texas 75240		5. WELL NO. 8	6. API NO. 42-103-35363
8. FIELD NAME (as per RRC Records) Block 31 (Queen)		9. LEASE NAME University -B-	
10. LOCATION (Section, Block, and Survey) Sec. 14. Blk. 31, ULS		11. PIPELINE CONNECTION OR USE OF GAS Pipeline	
7. COUNTY OF WELL SITE Crane			

I. PRODUCTION TEST AT RATE ELECTED BY OPERATOR (data on 24-hour basis)		II. A.S.T.M. DISTILLATION OF LIQUID SAMPLE. Distillation test is required for gas wells ONLY if the producing gas-liquid hydrocarbon ratio is less than 100,000 CF/barrel.	
A. Date of Test 06/22/2007 B. Gas Volume 39 (Mcf) C. Oil or Condensate Volume 0.00 (Bbl) D. Water Volume 0.00 (Bbl) E. Gas/Liquid Hydrocarbon Ratio Dry (Cf/Bbl) F. Flowing Tubing Pressure 15 (psia) G. Choke Size Open (in.) H. Casing Pressure Sealed (psia) I. Shut-in Wellhead Pressure-- Tubing 65 (psia) J. Separator Operating Pressure 60 (psia) K. Color of Stock Tank Liquid --- L. Gravity of Separator Liquid --- ° API M. Gravity of Stock Tank Liquid --- ° API N. Specific Gravity of the Gas (Air = 1) 0.6930		Date Liquid Sample Obtained _____ Where Obtained ☐ Separator ☐ Stock Tank % Over Temp. (deg. F) % Over Temp. (deg. F) Initial Boiling Temp. _____ 60 _____ 10 _____ 70 _____ 20 _____ 80 _____ 30 _____ 90 _____ 40 _____ 95 _____ 50 _____ End Point _____ Total Recovery _____ percent Residue _____ percent Loss _____ percent	

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.

Larry M. Sanders

NAME (Type or Print)

Larry M. Sanders
SIGNATURE

Sr. Regulatory Analyst

TITLE

Larry M. Sanders

(972) 628-1610

CONTACT PERSON

PHONE NUMBER

RRC USE ONLY

DATE

7/10/07

Merit Energy Company
13727 Noel Road, Suite 500
Dallas, Texas 7520

P. O. Box 12967
Austin, Texas 78711-2967

Page	Of
1	1

Reason for Filing		
☐ Survey	Retest	☐ Correction
☒ Initial Test		

Operator P-5 Organization No. 561136	RRC Dist. No.
--	---------------

G-10
DBC1297
rev. 7/95

Test Period:
Due Date:

Effective Date 04/01/2007

[illegible]

CERTIFICATION: I declare under penalties prescribed in Texas Natural Resources Code, Sec 91.143, 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 herein are true, correct, and complete to the best of my knowledge.

Signature: Laura M. Land

Title: Sr. Regulatory Analyst

Phone: (972) 628-1610

Date:

* AN ASTERISK PRINTED ON A SURVEY IDENTIFIES WELL SUBJECT TO COMMINGLING TEST REQUIREMENT

* AN ASTERISK PREPRINTED ON A SURVEY IDENTIFIES WELL SUBJECT TO COMMINGLING TEST REQUIREMENT
X AN "X" PREPRINTED ON A SURVEY IN THE BOTTOMHOLE PRESSURE BOX INDICATES A BOTTOMHOLE PRESSURE MUST BE REPORTED FOR THE WELL

***PRESSURE FOR THE TEXAS HUGOTON FIELD IS REPORTED IN PSIG

Form W-12
(1-1-71)
FOD1296

RECORD OF INCLINATION

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

(If the answer to the above question is "yes," attach written explanation of the circumstances.)

OPERATOR CERTIFICATION

Signature of Authorized Representative
Larry M. Sanders Sr. Reg. Analyst
Name of Person and Title (type or print)
Merit Energy Company
Operator
Telephone: (972) 628-1610
Area Code

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

SP-1111111111

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

Form W-15
Cementing Report

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
Merit Energy Company	561136	08	Crane
5. Field Name (Wildcat or Exactly as Shown on RRC Records)	6. API No.	7. Drilling Permit No.	
Block 31 (Queen)	42-103-35363	632766	
8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well Number
University "B"			8

CASING CEMENTING DATA:		SURFACE CASING	INTERMEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				SINGLE STRING	MULTIPLE PARALLEL STRINGS	TOOL	SHOE
12. Cementing Date		4/10/2007					
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)							
16. Setting Depth (ft)		756					
17. Number of Centralizers Used		10					
18. Hrs. Waiting on Cement Before Drill-Out							
1st Slurry	19. API Cement Used: No. of Sacks >	195					
	Class >	keylite PP					
	Additives >	2% cac12	1/4# celloflake				
2nd Slurry	No. of Sacks >	160					
	Class >	keylite PP					
	Additives >	2% cac12	1/4# celloflake				
3rd Slurry	No. of Sacks >						
	Class >						
	Additives >						
1st	20. Slurry Pumped: Volume (cu.ft.) >	371					
	Height (ft) >	899					
2nd	Volume (cu.ft.) >	264					
	Height (ft) >	640					
3rd	Volume (cu.ft.) >						
	Height (ft) >						
Total	Volume (cu.ft.) >	635					
	Height (ft) >	1539					
21. Was Cement Circulated to Ground Surface (or Bottom of Casing) Outside Casing?		yes					
22. Remarks							
circulated 90 sks cement							

OVER ➔

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

Form W-15
Cementing Report

RAILROAD COMMISSION OF TEXAS

Oil and Gas Division

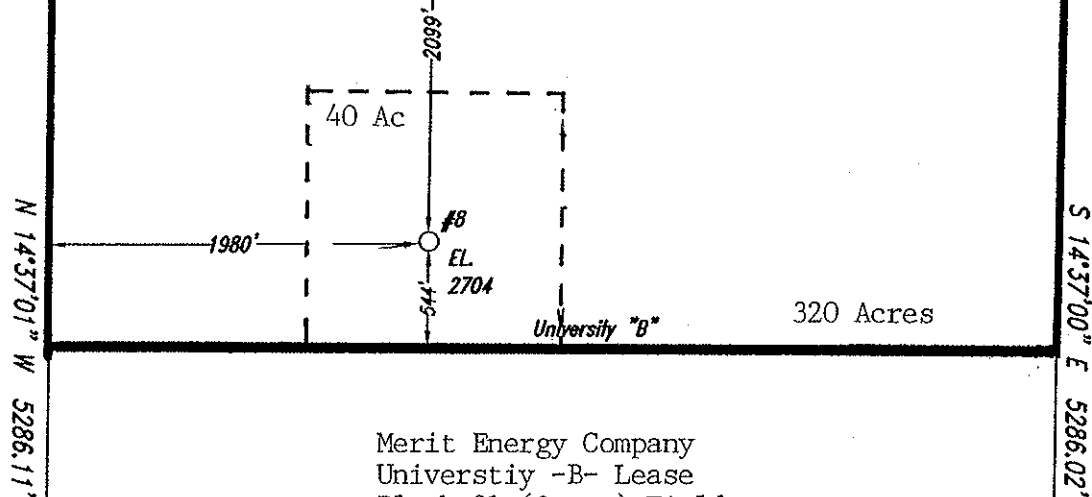
1. Operator's Name (As Shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC District No.	4. County of Well Site
Merit Energy Company	561136	08	Crane
5. Field Name (Wildcat or Exactly as Shown on RRC Records)	6. API No.	7. Drilling Permit No.	
Block 31 (Queen)	42-103-35363	632766	
8. Lease Name	9. Rule 37 Case No.	10. Oil Lease/Gas ID No.	11. Well Number
University "B"			8

CASING CEMENTING DATA:		SURFACE CASING	INTERMEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				SINGLE STRING	MULTIPLE PARALLEL STRINGS	TOOL	SHOE
12. Cementing Date				4/14/2007			
13. *Drilled Hole Size				7 1/2			
*Ext. % Wash or Hole Enlargement							
14. Size of Casing (in. O.D.)				5 1/2			
15. Top of Liner (ft)							
16. Setting Depth (ft)				3200'			
17. Number of Centralizers Used				34			
18. Hrs. Waiting on Cement Before Drill-Out							
1st slurry	19. API Cement Used: No. of Sacks >			500			
	Class >			PP			
	Additives >			50/50 poz	10% gel	3# salt	3# gilsonite
2nd slurry	No. of Sacks >			340			
	Class >			PP			
	Additives >			50/50 poz	2% gel	3# salt	3# gilsonite
3rd slurry	No. of Sacks >						.04% cfl-4
	Class >						
	Additives >						
1st	20. Slurry Pumped: Volume (cu.ft.) >			1115			
	Height (ft) >			5789			
2nd	Volume (cu.ft.) >			425			
	Height (ft) >			1256			
3rd	Volume (cu.ft.) >						
	Height (ft) >						
Total	Volume (cu.ft.) >			1540			
	Height (ft) >			7045			
21. Was Cement Circulated to Ground Surface (or Bottom of Celler) Outside Casing?				93sk			
22. Remarks							

OVER →

Block 31, University Land

10 11 N 75°35'08" E 5282.54' 12
15 14 MERIT ENERGY COMPANY 13



Merit Energy Company
University -B- Lease
Block 31 (Queen) Field

I hereby certify the information contained herein is true
and correct to the best of my knowledge and ability.

Name: Larry M. Sanders

Title: Sr. Regulatory Analyst

Signed: Larry M. Sanders

Date: 1/31/07

22 23

S 75°35'05" W 5282.53'

24

Note: Survey Reconstruction filed in the Office of Luchini and Mertz Land Surveying Company.

Note: All bearings and coordinates shown are based on the Texas Coordinate System of 1927, Central Zone.

A combined grid factor of 0.9997902 must be divided into Section Line distances to obtain a true horizontal distance.

Note: Example: (S-99999) indicates General Land Office file number.

Note: NAD '27 Coordinates & Latitude/Longitude on well location in Section 14.

Note: Well location is approximately 9 miles northwest of Crane.

X: 1340704.71

Latitude - 31°29'55.865" N

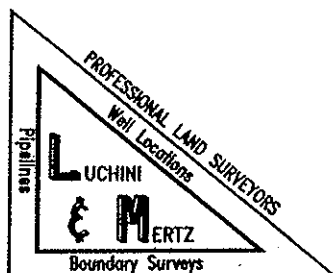
Y: 672616.71

Longitude - 102°26'55.718" W

Railroad Commission Permit Plat

MERIT ENERGY COMPANY
University "B" Lease
N/2 of
Section 14, Block 31,
University Land,
Crane County, Texas

Scale: 1" = 1000'



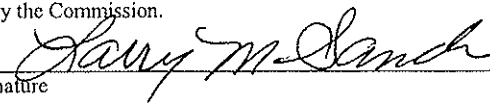
January 24, 2007

070124P1

**CERTIFICATE OF COMPLIANCE
AND TRANSPORTATION AUTHORITY**

P-4
5/02
DBC0702

READ INSTRUCTIONS ON BACK

1. Field name exactly as shown on proration schedule Block 31 (Queen)		2. Lease name as shown on proration schedule University -B-					
3. Current operator name exactly as shown on P-5 Organization Report Merit Energy Company		4. Operator P-5 no. 561136	5. Oil Lse/Gas ID no.	6. County Crane	7. RRC district 08		
8. Operator address including city, state, and zip code 13727 Noel Road, Suite 500 Dallas, Texas 75240		9. Well no(s) (see instruction E) 8					
		10. Classification ☐ Oil ☒ Gas ☐ Other (see instruction A)			11. Effective Date 04/01/2007		
12. Purpose of Filing. (Complete section a or b below.) (See instruction B and G) a. Change of: ☐ operator ☐ oil or condensate gatherer ☐ gas gatherer ☐ gas purchaser ☐ gas purchaser system code ☐ field name from: _____ ☐ lease name from: _____ OR b. New RRC Number for: ☐ oil lease ☒ gas well Due to: ☒ new completion or recompletion ☐ reclass oil to gas ☐ reclass gas to oil ☐ other well (specify) _____ ☐ consolidation, unitization, or subdivision (oil lease only)							
13. Authorized GAS WELL GAS or CASINGHEAD GAS Gatherers and/or Purchaser(s). (See instruction G).							
Gatherer	Purchaser	Name of GAS WELL GAS or CASINGHEAD GAS Gatherer(s) or Purchaser(s) As Indicated in Columns to the Left (Attach an additional sheet in same format if more space is needed)			Purchaser's RRC Assigned System Code	Percent of Take	Full-well stream
X	X	DCP Midstream, LP			0001	100	
14. Authorized OIL or CONDENSATE Gatherer(s). (See instruction G)							
Name of OIL or CONDENSATE Gatherer(s) - List Highest Volume Gatherer First (Attach an additional sheet in same format if more space is needed)					Percent of Take	RRC USE ONLY Reviewer's initials: _____ Approval date: _____	
Plains Marketing, L. P.					100		
15. PREVIOUS OPERATOR CERTIFICATION FOR CHANGE OF OPERATOR P-4 FILING. Being the PREVIOUS OPERATOR, I certify that operating responsibility for the well(s) designated in this filing, located on the subject lease has been transferred in its entirety to the above named Current Operator. I understand, as Previous Operator, that designation of the above named operator as Current Operator is not effective until this certificate is approved by the Commission.							
Name of Previous Operator Name (print) Title				Signature ☐ Authorized Employee of previous operator ☐ Authorized agent of previous operator (see instruction G) Date Phone with area code			
16. CURRENT OPERATOR CERTIFICATION. By signing this certificate as the Current Operator, I certify that all statements on this form are true and correct and I acknowledge responsibility for the regulatory compliance of the subject lease including plugging of well(s) pursuant to Rule 14. I further acknowledge that I assume responsibility for the physical operation, control, and proper plugging of each well designated in this filing. I also acknowledge that I will remain designated as the Current Operator until a new certificate designating a new Current Operator is approved by the Commission.							
Larry M. Sanders Name (print) Sr. Regulatory Analyst Title				Signature  ☒ Authorized Employee of current operator ☐ Authorized agent of current operator (see instruction G) Date 4/10/07 Phone with area code (972)628-1610			
E-mail Address (optional)				Date			