

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

U.T. LANDS

SEP 24 2007

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

Type or print only

#5919 well# 3802

API No. 42-135-33271

WTO

Oil Well Potential Test, Completion or Recompletion Report, and Log			7. RRC District No. 08
1. FIELD NAME (as per RRC Records or Wildcat) Jordan			8. RRC Lease No. 20650
2. LEASE NAME Jordan San Andres Unit		9. Well No. B 9	
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) Torch Energy Services, Inc.		10. County of well site Ector	
4. ADDRESS 2600 W. I-20 Odessa, TX 79763		11. Purpose of filling	
5. If Operator has changed within last 60 days, name former operator		Initial Potential <input type="checkbox"/>	
6a. Location (Section, Block, and Survey) Sec. 6, Blk. 35, ULS		Retest <input type="checkbox"/>	
6b. Distance and direction to nearest town in this county. 6 miles South from Penwell		Reclass <input type="checkbox"/>	
12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no. FIELD & RESERVOIR		GAS ID or OIL LEASE #	WELL NO.
13. Type of electric or other log run		Well record only <input checked="" type="checkbox"/> (explain in Remarks)	
		14. Completion or recompletion date 8-14-07	

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

15. Date of test 8-18-07	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) Pumping, 2 1/2" x 2" x 20' Pump			18. Choke size —
19. Production during Test Period	Oil - BBLS 19	Gas - MCF 80	Water - BBLS 31	Gas - Oil Ratio —	Flowing Tubing Pressure — PSI
20. Calculated 24-Hour Rate	Oil - BBLS —	Gas - MCF —	Water - BBLS —	Oil Gravity—API—60° —	Casing Pressure — 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) —		23. Injection Gas—Oil Ratio —	
REMARKS: Re-entered well, pumped cement, added perforations to Queen, Grayburg & San Andres, & Stimulated perforations					

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.

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

RECEIVED
RRC OF TEXAS
SEP 21 2007

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.

Melanie Reyes _____ Title of Person _____
Production Assistant

(432) 580-8500 _____ Date: 9/19/07
Telephone: Area Code Number Date: mo. day year Signature _____

O&G
MIDLAND

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 8/20/07 PERMIT NO. 644243
 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
Arco Oil & Gas Company

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

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced 7-12-07 Completed 8-14-07
 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
 11650 Feet From South Line and 1910 Feet from East Line of the Sec. 6 Lease

32. Elevation (DF, RKB, RT, GR, ETC.)
 DF 2844' GL 2834'

33. Was directional survey made other than inclination (Form W-12)? Yes No

34. Top of Pay 35. Total Depth 36. P. B. Depth 37. Surface Casing Determined by: Field Rules Recommendation of T.D.W.R. Railroad Commission (Special)
 3095' 3620' 3617'

38. Is well multiple completion?
 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 Cable Tools
 42. Is Cementing Affidavit Attached? Yes No

41. Name of Drilling Contractor

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.
8 5/8"	24	895'	-	525 SX "C"	12 1/4"	surf. (circ'd)	-
5 1/2"	14	3620'	-	650 SX "C"	7 7/8"	surf. (circ'd)	-

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen

45. TUBING RECORD

Size	Depth Set	Packer Set	46. Producing Interval (this completion) Indicate depth of perforation or open hole
2 7/8"	3399'		From Queen 3102' To 3249'
			From Grayburg 3266' To 3470'
			From To
			From To

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

Depth Interval	Amount and Kind of Material Used
3494'-3498'; 3503'-3582'	Acidized w/ 2000 gals 15% NEFE Acid
3266'-3470'; 3102'-3249'	Foam CO ₂ Acid Frac'd w/ 6000 gals 15% NEFE + 72 Tons CO ₂

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

Formations	Depth	Formations	Depth
Queen	3095'		
Grayburg	3260'		
San Andres	3509'		

REMARKS Added perfs to San Andres & stimulated, but decided to TA San Andres zone due to high water cut, set CIBP @ 3474'

SEP 24 2007

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

RAILROAD COMMISSION OF TEXAS

WTO

Oil and Gas Division

1. Operator's Name (As Shown on Form P-5, Organization Report) TORCH ENERGY SERVICES, INC.		2. RRC Operator No. 862520	3. RRC District No. 08	4. County of Well Site Ector
5. Field Name (Wildcat or Exactly as Shown on RRC Records) Jordan		6. API No. 42-135-33271	7. Drilling Permit No. 644243	
8. Lease Name Jordan San Andres Unit		9. Rule 37 Case No.	10. Oil Lease/Gas ID No. 20650	11. Well Number B-9

CASING CEMENTING DATA:		SURFACE	INTERMEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				SINGLE STRING	MULTIPLE PARALLEL STRINGS	TOOL	SHOE
12. Cementing Date							
13. *Drilled Hole Size							
*Ext. % Wash or Hole Enlargement							
14. Size of Casing (in. O.D.)							
15. Top of Liner (ft)							
16. Setting Depth (ft)							
17. Number of Centralizers Used							
18. Hrs. Waiting on Cement Before Drill-Out							
1st Slurry	19. API Cement Used: No. of Sacks >						
	Class >						
	Additives >						
2nd Slurry	No. of Sacks >						
	Class >						
	Additives >						
3rd Slurry	No. of Sacks >						
	Class >						
	Additives >						
1st	20. Slurry Pumped: Volume (cu.ft.) >						
	Height (ft) >						
2nd	Volume (cu.ft.) >						
	Height (ft) >						
3rd	Volume (cu.ft.) >						
	Height (ft) >						
Total	Volume (cu.ft.) >						
	Height (ft) >						
21. Was Cement Circulated to Ground Surface (or Bottom of Cella) Outside Casing?							
22. Remarks 200 SKS "C" 2% CAL2, 7/10% C41P							

RECEIVED
RRC OF TEXAS

SEP 21 2007

O&G
MIDLAND

OVER →

CEMENTING TO PLUG AND ABANDON	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7	PLUG #8
23. Cementing Date	7/19/07							
24. Size of Hole or Pipe Plugged (in)	2 7/8							
25. Depth to Bottom of Tubing or Drill Pipe (ft)	3495							
26. Sacks of Cement Used (each plug)	200							
27. Slurry Volume Pumped (cu.ft.)	47							
28. Calculated Top of Plug (ft)	3515							
29. Measured Top of Plug, If Tagged (ft)	N/A							
30. Slurry Wt. (lbs/gal)	14.8							
31. Type Cement	C							

CEMENTERS CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that the cementing of casing and/or the placing of cement plugs in this well as shown in the report was performed by me or under my supervision, and that the cementing data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers cementing data only.

CEMENTER JIMMY POWELL **RISING STAR SERVICES LP.** *Jimmy Powell*
Name and Title of Cements Representative Cementing Company Signature

P.O. BOX 61193 MIDLAND TX. 79711 (432) 617-0114 July 19, 2007
Address City State Zip Code Tel: Area Code Number Date: Mo. Day Yr.

OPERATOR'S CERTIFICATE: I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this certification, that I have knowledge of the well data and information presented in this report, and that data and facts presented on both sides of this form are true, correct, and complete, to the best of my knowledge. This certification covers all well data.

Melanie Reyes Production Assistant *MLR*
Typed or Printed Name of Operators Representative Title Signature

2600 W. I-20, Odessa, TX 79763 (432) 580-8500 9-19-07
Address City State Zip Code Tel: Area Code Number Date: Mo. Day Yr.

Instruction to Form W-15, Cementing Report

IMPORTANT: Operators and cementing companies must comply with the requirements of the Commission's Statewide rules 8 (Water Protection), 13 (Casing, Cementing, Drilling, and Completion, and 14 (Well Plugging). For offshore operations, see the requirements of Rule 13 (c).

A. What to file. An operator should file an original and one copy of the completed Form W-15 for each cementing company used on a well. The cementing of different casing strings on a well by one cementing company may be reported on one form. Form W-15 should be filed with the following:

- * An initial oil or gas completion report, Form W-2 or G-1, as required by Statewide or special field rules;
- * Form W-4, Application for Multiple Completion, if the well is a multiple parallel casing completion; and
- * Form W-3, Plugging Record, unless the W-3 is signed by the cementing company representative. When reporting dry holes, operators must complete W-15, in addition to Form W-3, to show any casing cemented in the hole.

B. Where to file. The appropriate Commission District Office for the county in which the well is located.

C. Surface casing. An operator must set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Texas Department of Water Resources, Austin. Before drilling a well in any field or area in which no field rules are in effect or in which surface casing requirements are not specified in the applicable rules, an operator must obtain a letter from the Department of Water Resources stating the protection depth. Surface casing should not be set deeper than 200 feet below the specified depth without prior approval from the Commission.

D. Centralizers. Surface casing must be centralized at the shoe, above and below a stage collar or diverting tool, if run, and through usable-quality water zones. In nondeviated holes, a centralizer must be placed every fourth joint from the cement shoe to the ground surface or to the bottom of the cellar. All centralizers must meet API specifications.

E. Exceptions and alternative casing programs. The District Director may grant an exception to the requirements of Statewide Rule 13. In a written applications, an operator must state the reason for the requested exception and outline an alternate program for casing and cementing through the protection depth for strata containing usable-quality water. The District Director may approve, modify, or reject a proposed program. An operator must obtain approval of any exception before beginning casing and cementing operations.

F. Intermediate and production casing. For specific technical requirements, operators should consult Statewide Rule 12 (b) (3) and (4).

G. Plugging and abandoning. Cement plugs must be placed in the wellbore as required by Statewide Rule 14. The District Director may require additional cement plugs. For onshore or inland wells, a 10-foot cement plug must be placed in the top of the well, and the casing must be cut off three feet below the ground surface. All cement plugs, except the top plug, must have sufficient slurry volume to fill 100 feet of hole, plus ten percent for each 1000 feet of depth from the ground surface to the bottom of the plug.

To plug and abandon a well, operators must use only cementers approved by the Director of Field Operations. Cementing companies, service companies, or operators can qualify as approved cementers by demonstrating that they are able to mix and pump cement in compliance with Commission rules and regulations.