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RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Sent

JUN 23 2011

Form W-2

Rev. 4/1/83
483-046

Oil Well Potential Test, Completion or Recompletion Report, and Log				API No. 42-135--33271	7. RRC District No. 08
1. FIELD NAME (as per RRC Records or Wildcat) Jordan		2. LEASE NAME Jordan San Andres Unit		8. RRC Lease No. 20650	9. Well No. B 9
3. OPERATOR'S NAME (Exactly as shown on Form P-5. Organization Report) Resaca Operating Company			RRC Operator No. 703238	10. County of well site ECTOR	
4. ADDRESS 2509 Maurice Road Odessa, TX 79763				11. Purpose of filing	
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		6b. Distance and direction to nearest town in this county. 6 miles South from Penwell			
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			14. Completion or recompletion date 5/16/11		
				Retest <input type="checkbox"/>	
				Reclass <input type="checkbox"/>	
				Well record only <input checked="" type="checkbox"/> (explain in Remarks)	

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

15. Date of test 6/12/11	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping— Size & Type of pump) Flowing			18. Choke size
19. Production during Test Period	Oil - BBLS 20	Gas - MCF 0	Water - BBLS 2000	Gas - Oil Ratio	Flowing Tubing Pressure 190 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:

Drilled out CIBP @ 3474', Deepened to 4070' New TD, Ran and cemented 4 1/2" Liner from 3382' to surface, Fracture Stimulated well

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

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
Typed or printed name of operator's representative
(432)580-8500
Telephone: Area Code Number
Date: 6/16/11
mo. day year

Engineer Assistant
Title of Person
Signature
MLR

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 3/31/11 PERMIT NO. 712556
 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 and 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 3/16/11 Completed 5/16/11

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
 1650 Feet From South Line and 1910 Feet from EAST Line of the Sec. 6 Lease

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

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

34. Top of Pay *3431'* 35. Total Depth *4070'* 36. P. B. Depth *4060'*

37. Surface Casing Determined by: Field Rules Recommendation of T.D.W.R. Railroad Commission (Special) Dt. of Letter

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

41. Name of Drilling Contractor

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.
<i>8 5/8"</i>	<i>24</i>	<i>895'</i>		<i>525SX</i>	<i>12 1/4"</i>	<i>surface (circulated)</i>	
<i>5 1/2"</i>	<i>14</i>	<i>3620'</i>		<i>850SX</i>	<i>7 7/8"</i>	<i>surface (circulated)</i>	

44. LINER RECORD

Size	TOP	Bottom	Sacks Cement	Screen
<i>4 1/2"</i>	<i>0</i>	<i>3382'</i>	<i>150SX CLASS C (Circd to surface)</i>	

45. TUBING RECORD

Size	Depth Set	Packer Set

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

From <i>Grayburg</i>	<i>3431'</i>	To <i>3505'</i>	<i>Perfs</i>
From <i>San Andres</i>	<i>3535'</i>	To <i>3582'</i>	<i>Perfs</i>
From <i>San Andres</i>	<i>3620'</i>	To <i>4070'</i>	<i>OH</i>
From		To	

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

Depth Interval	Amount and Kind of Material Used
<i>Grayburg 3431'-3505' Perfs</i>	<i>Fracture Stimulated w/6000 gals 15% NEFE Acid, 100 Bio Balls, 8500#s Rock Salt, 81,227#s 16/30 Sierra Sand and 46,620#s 16/30 CRC Sand</i>
<i>San Andres 3535'-3582' Perfs</i>	
<i>San Andres 3620'-4070' OH</i>	

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

Formations	Depth	Formations	Depth
<i>Queen</i>	<i>3095'</i>		
<i>Grayburg</i>	<i>3260'</i>		
<i>San Andres</i>	<i>3509'</i>		

REMARKS

2011

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) Resaca Operating Company	2. RRC Operator No. 703238	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. 712556	
8. Lease Name Jordan San Andres Unit	9. Rule 37 Case No.	10. Oil Lease/Gas ID No. 20650	11. Well No. B 9

CASING CEMENTING DATA:		SURFACE CASING	INTER-MEDIATE CASING	PRODUCTION CASING		MULTI-STAGE CEMENTING PROCESS	
				Single String	Multiple Parallel Strings	Tool	Shoe
12. Cementing Date				3/30/11			
13. •Drilled hole size				5 1/2			
•Est. % wash or hole enlargement							
14. Size of casing (in. O.D.)				4 1/2			
15. Top of liner (ft.)				surface			
16. Setting depth (ft.)				3380			
17. Number of centralizers used							
18. Hrs. waiting on cement before drill out							
1st Slurry	19. API cement used: No. of sacks ▶			150			
	Class ▶			C			
	Additives ▶						
2nd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
3rd Slurry	No. of sacks ▶						
	Class ▶						
	Additives ▶						
1st	20. Slurry pumped: Volume (cu. ft.) ▶			198			
	Height (ft.) ▶			8534			
2nd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
3rd	Volume (cu. ft.) ▶						
	Height (ft.) ▶						
Total	Volume (cu. ft.) ▶			198			
	Height (ft.) ▶			8534			
21. Was cement circulated to ground surface (or bottom of cellar) outside casing?				yes			
22. Remarks CIRCULATED 30SX TO PIT							

CEMENTING TO PLUG AND ABANDON	PLUG # 1	PLUG # 2	PLUG # 3	PLUG # 4	PLUG # 5	PLUG # 6	PLUG # 7	PLUG # 8
23. Cementing date								
24. Size of hole or pipe plugged (in.)								
25. Depth to bottom of tubing or drill pipe (ft.)								
26. Sacks of cement used (each plug)								
27. Slurry volume pumped (cu. ft.)								
28. Calculated top of plug (ft.)								
29. Measured top of plug, if tagged (ft.)								
30. Slurry wt. (lbs/gal)								
31. Type cement								

CEMENTER'S 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.

Alex Hinojos, VP of Operations
 Name and title of cementer's representative
 Cement Specialist, LLC
 Cementing Company
 Signature
 P.O. Box 11342
 Address
 Midland, TX 79702
 City, State, Zip Code
 (432)617-4753
 Tel.: Area Code Number
 3/30/11
 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
 Typed or printed name of operator's representative
 Engineer Assistant
 Title
 Signature
 2509 Maurice Road
 Address
 Odessa, TX 79763
 City, State, Zip Code
 (432)580-8500
 Tel.: Area Code Number
 6/16/11
 Date: mo. day yr.

Instructions 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 **Form 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 application, 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 13 (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 1,000 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.