

**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division

**U.T. LANDS**

**JAN 07 2008**

**Form W-2**

Rev. 4/1/83

DBC1297

Type or print only

*UL 3865*

<b>Oil Well Potential Test, Completion or Recompletion Report, and Log</b>				API No. <b>42- 383-35557</b>		7. RRC District No. <b>7C</b>	
						8. RRC Lease No.	
1. FIELD NAME (as per RRC Records or Wildcat) <b>Spraberry (Trend Area)</b>		2. LEASE NAME <b>University 1-1</b>				9. Well No. <b>1</b>	
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) <b>J Cleo Thompson</b>				RRC Operator No. <b>885610</b>		10. County of well site <b>Reagan</b>	
4. A <b>325 N. St. Paul, Ste 4300</b> <b>Dallas, TX 75201</b>						11. Purpose of filing	
5. If Operator has changed within last 60 days, name former operator						Initial Potential <input checked="" type="checkbox"/>	
6a. Location (Section, Block, and Survey) <b>Sec. 1, Blk 1, ULS</b>				6b. Distance and direction to nearest town in this county. <b>12 MI. SW from Big Lake</b>		Retest <input type="checkbox"/>	
12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no. FIELD & RESERVOIR <b>Grierson Spring (Strawn)</b>				GAS ID or OIL LEASE # <b>16091</b>	Oil - O Gas - G <b>O</b>	WELL NO. <b>1</b>	Reclass <input type="checkbox"/>
13. Type of electric or other log run				14. Completion or recompletion date <b>06/01/2007</b>		Well record only (explain in Remarks) <input type="checkbox"/>	

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

15. Date of test <b>11/01/2007</b>		16. No. of hours tested <b>24</b>		17. Production method (Flowing, Gas Lift, Jetting, Pumping-- Size & Type of pump) <b>Pumping - 2" x 1 1/2" x 18 HF</b>		18. Choke Size	
19. Production during Test Period		Oil - BBLS <b>2</b>	Gas -- MCF <b>1</b>	Water - BBLS <b>18</b>	Gas - Oil Ratio <b>1000</b>	Flowing Tubing Pressure <b>30</b> PSI	
20. Calculated 24-Hour Rate		Oil - BBLS <b>2</b>	Gas -- MCF <b>1</b>	Water -- BBLS <b>18</b>	Oil Gravity--API--60° <b>29.4</b>	Casing Pressure <b>30</b> 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							

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.

J. Cleo Thompson

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.

Helen Bearden

Typed or printed name of operator's representative

Agent

Title of Person

*Helen Bearden*

Signature

(214) 953-1177

Telephone: Area Code Number

12/07/2007

Date: mo. day year

SECTION II DATA ON WELL COMPLETION AND LOG (Not Required on Retest)									
24. Type of Completion: New Well <input type="checkbox"/> Deepening <input type="checkbox"/> Plug Back <input checked="" type="checkbox"/> Other <input type="checkbox"/>						25. Permit to Drill, Plug Back or Deepen DATE _____ PERMIT NO. <b>651557 (pending)</b> 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  <b>J. Cleo Thompson</b>									
27. Number of producing wells on this lease in this field (reservoir) including this well  <b>1</b>			28. Total number of acres in this lease  <b>327.66</b>						
29. Date Plug Back, Deepening, WorkOver or Drilling Operations:  <b>05/22/2007</b>		Commenced  <b>06/02/2007</b>		Completed  <b>07</b>		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  <b>2404</b> Feet From <b>north</b> Line and <b>694</b> Feet from <b>east</b> Line of the <b>University 1-1 #1</b> Lease									
32. Elevation (DF, RKB, RT, GR, ETC.) <b>2913' grd.</b>				33. Was directional survey made other than inclination (Form W-12)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
34. Top of Pay <b>6642</b>		35. Total Depth <b>9275</b>		36. P.B. Depth <b>8830</b>		37. Surface Casing Determined by: Field <input checked="" type="checkbox"/> Rules <input type="checkbox"/> Recommendation of T.D.W.R. <input checked="" type="checkbox"/> Railroad Commission (Special) <input type="checkbox"/>		Dt. of Letter <b>05/13/2006</b>	
38. Is well multiple completion?  <b>NO</b>		39. If multiple completion, list all reservoir names (completions in this well) and Oil Lease or Gas ID No. <b>FIELD &amp; RESERVOIR</b>				GAS ID or OIL LEASE # Oil-O Gas-G WELL #		40. Intervals Drilled by: Rotary Tools <input checked="" type="checkbox"/> Cable Tools <input type="checkbox"/>	
41. Name of Drilling Contractor  <b>Patterson UTI</b>								42. Is Cementing Affidavit Attached? <input type="checkbox"/> Yes <input checked="" 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	SLURRY VOL. cu. ft.		
13 3/8	48	781		590 C	17 1/2	Surface	1189		
8 5/8	32	3228		850 blend	11	Surface	1860		
5 1/2	17	9255		1200 blend	7 7/8	3190	2422		
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 3/8	6676		From <b>6642</b>			To <b>6652</b>			
			From			To			
			From			To			
			From			To			
47. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.									
Depth Interval				Amount and Kind of Material Used					
6642 - 6652				70,000 gals. 20# X-Link gell					
				138,000# 20/40 Brady Sand					
48. FORMATION RECORD (LIST DEPTHS OF PRINCIPAL GEOLOGICAL MARKERS AND FORMATION TOPS)									
Formations	Depth		Formations	Depth					
Strawn	8998		Grayburg	2985					
Spraberry	5848		Queen	2630					
San Andres	3240		Yates	1980					
REMARKS <b>Set CIBP @ 8850. Went up hole and perf'd from 6642-6652. Filed for permit 12/17/07 # 651557. (Pending)</b>									

**CERTIFICATE OF COMPLIANCE  
AND TRANSPORTATION AUTHORITY**

**P-4**  
5/02  
DBC0702

*READ INSTRUCTIONS ON BACK*

1. Field name exactly as shown on proration schedule <b>Spraberry (Trend Area)</b>		2. Lease name as shown on proration schedule <b>University 1-1</b>					
3. Current operator name exactly as shown on P-5 Organization Report <b>J Cleo Thompson</b>		4. Operator P-5 no. <b>885610</b>	5. Oil Lse/Gas ID no.	6. County <b>Reagan</b>	7. RRC district <b>7C</b>		
8. Operator address including city, state, and zip code <b>325 N St Paul Suite 4300 Dallas, TX 75201</b>		9. Well no(s) (see instruction E) <b>1</b>					
		10. Classification <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> Other (see instruction A)			11. Effective Date <b>06/01/2007</b>		
12. Purpose of Filing. (Complete section a or b below.) (See instruction B and G) <b>a. Change of:</b> <input type="checkbox"/> operator <input type="checkbox"/> oil or condensate gatherer <input type="checkbox"/> gas gatherer <input type="checkbox"/> gas purchaser <input type="checkbox"/> gas purchaser system code <input checked="" type="checkbox"/> field name from: <b>Grierson Spring (Strawn)</b> <input type="checkbox"/> lease name from: _____ <b>OR</b> <b>b. New RRC Number for:</b> <input type="checkbox"/> oil lease <input type="checkbox"/> gas well <input type="checkbox"/> other well (specify) _____ <b>Due to:</b> <input type="checkbox"/> new completion or recompletion <input type="checkbox"/> reclass oil to gas <input type="checkbox"/> reclass gas to oil <input type="checkbox"/> 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 <i>(Attach an additional sheet in same format if more space is needed)</i>			Purchaser's RRC Assigned System Code	Percent of Take	Full-well stream
X	X	Duke Energy Field Services, 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 <i>(Attach an additional sheet in same format if more space is needed)</i> <b>Plains Marketing, LP</b>				Percent of Take <b>100</b>	<b>RRC USE ONLY</b> Reviewer's initials: _____ Approval date: _____		
<b>15. PREVIOUS OPERATOR CERTIFICATION FOR CHANGE OF OPERATOR P-4 FILING.</b> 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 _____				Signature _____			
Name (print) _____				<input type="checkbox"/> <b>Authorized Employee of previous operator</b> <input type="checkbox"/> <b>Authorized agent of previous operator (see instruction G)</b>			
Title _____				Date _____ Phone with area code _____			
<b>16. CURRENT OPERATOR CERTIFICATION.</b> 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.							
<b>Helen Bearden</b>							
Name (print) _____				Signature _____			
Agent _____				<input checked="" type="checkbox"/> <b>Authorized Employee of current operator</b> <input type="checkbox"/> <b>Authorized agent of current operator (see instruction G)</b>			
Title _____				Date _____ Phone with area code _____			
hbearden@jcleo.com				12/07/2007 (214)953-1177			
E-mail Address (optional) _____				Date _____ Phone with area code _____			

