

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 3805

API No. 42- 383-35557				7. RRC District No. 7C	
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 1-1		9. Well No. 1	
3. OPERATOR'S NAME (Exactly as shown on Form P-5, Organization Report) J Cleo Thompson			RRC Operator No. 885610		10. County of well site Reagan
4. A 325 N. St. Paul, Ste 4300 Dallas TX 75201				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) Sec. 1, Blk 1, ULS				Retest <input type="checkbox"/>	
6b. Distance and direction to nearest town in this county. 12 MI. SW from Big Lake				Reclass <input type="checkbox"/>	
12. If workover or reclass, give former field (with reservoir) & gas ID or oil lease no. FIELD & RESERVOIR Grierson Spring (Strawn)		GAS ID or OIL LEASE # 16091	Oil - O Gas - G 0	WELL NO. 1	
13. Type of electric or other log run			14. Completion or recompletion date 06/01/2007		
				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 11/01/2007	16. No. of hours tested 24	17. Production method (Flowing, Gas Lift, Jetting, Pumping-- Size & Type of pump) Pumping - 2" x 1 1/2" x 18 HF		18. Choke Size	
19. Production during Test Period	Oil - BBLS 2	Gas -- MCF 1	Water - BBLS 18	Gas - Oil Ratio 1000	Flowing Tubing Pressure 30 PSI
20. Calculated 24-Hour Rate	Oil - BBLS 2	Gas -- MCF 1	Water -- BBLS 18	Oil Gravity--API--60° 29.4	Casing Pressure 30 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

(214) 953-1177

Telephone: Area Code Number

12/07/2007

Date: mo. day year

Signature

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 PERMIT NO. 651557 (pending)
 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
J. Cleo Thompson

27. Number of producing wells on this lease in this field (reservoir) including this well **1**
 28. Total number of acres in this lease **327.66**

29. Date Plug Back, Deepening, WorkOver or Drilling Operations: Commenced **05/22/2007** Completed **06/02/2007**
 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 **2404** Feet From **north** Line and **694** Feet from **east** Line of the **University 1-1 #1** Lease

32. Elevation (DF, RKB, RT, GR, ETC.) **2913' grd.**
 33. Was directional survey made other than inclination (Form W-12)? Yes No

34. Top of Pay **6642** 35. Total Depth **9275** 36. P.B. Depth **8830**
 37. Surface Casing Determined by: Field Recommendation of T.D.W.R.
 Rules Railroad Commission (Special)
 Dt. of Letter **05/13/2006**

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 Cable Tools

41. Name of Drilling Contractor **Patterson UTI**
 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.
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	From	To
2 3/8	6676		6642	6652

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

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 **Set CIBP @ 8850. Went up hole and perf'd from 6642-6652. Filed for permit 12/17/07 # 651557. (Pending)**

**CERTIFICATE OF COMPLIANCE
 AND TRANSPORTATION AUTHORITY**

READ INSTRUCTIONS ON BACK

1. Field name exactly as shown on proration schedule Spraberry (Trend Area)		2. Lease name as shown on proration schedule University 1-1				
3. Current operator name exactly as shown on P-5 Organization Report J Cleo Thompson		4. Operator P-5 no. 885610	5. Oil Lse/Gas ID no.	6. County Reagan	7. RRC district 7C	
8. Operator address including city, state, and zip code 325 N St Paul Suite 4300 Dallas, TX 75201		9. Well no(s) (see instruction E) 1				
10. Classification <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Gas <input type="checkbox"/> Other (see instruction A)				11. Effective Date 06/01/2007		

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: Grierson Spring (Strawn)
 lease name from: _____

OR

b. New RRC Number for: oil lease gas well other well (specify) _____ Due to: new completion or recompletion reclass oil to gas reclass gas to oil
 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	Duke Energy Field Services, LP	0001	100	

14. Authorized OIL or CONDENSATE Gatherer(s). (See instruction G)

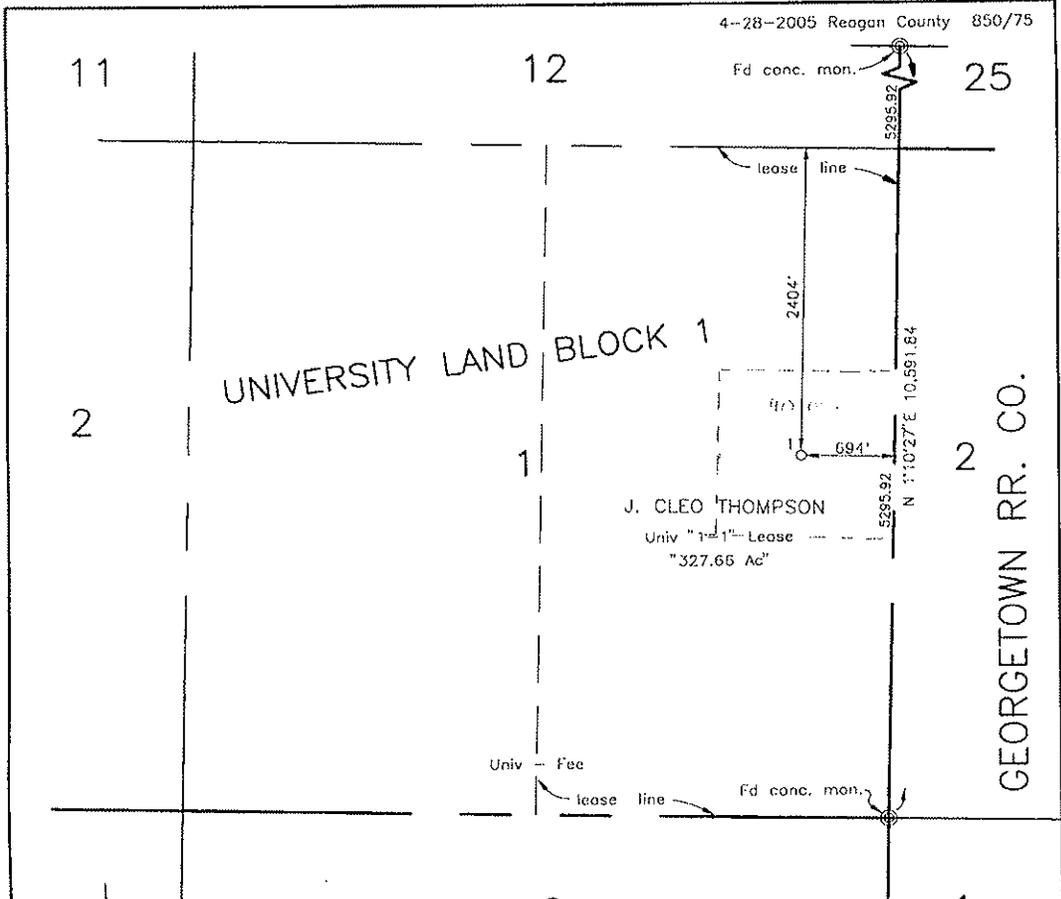
Name of OIL or CONDENSATE Gatherer(s) - List Highest Volume Gatherer First (Attach an additional sheet in same format if more space is needed)	Percent of Take	RRC USE ONLY	
Plains Marketing, LP	100	Reviewer's initials: _____	Approval date: _____

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	Signature
Name (print)	<input type="checkbox"/> Authorized Employee of previous operator <input type="checkbox"/> Authorized agent of previous operator (see instruction G)
Title	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.

Name (print) Helen Bearden	Signature 
Agent	<input checked="" type="checkbox"/> Authorized Employee of current operator <input type="checkbox"/> Authorized agent of current operator (see instruction G)
Title	Date
E-mail Address (optional) hbearden@jcleo.com	Phone with area code (214)953-1177

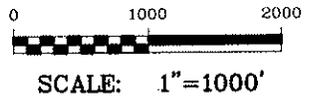


UNIVERSITY LAND BLOCK 1

J. CLEO THOMPSON
Univ "1-1" Lease
"327.66 Ac"

GEORGETOWN RR. CO.

UNIVERSITY LAND BLOCK 6



FIELD : Reagan
COUNTY : Reagan
OPERATOR : J Cleo Thompson
LEASE : University "1-1"
WELL NO. : 1
ELEVATION : 2913 ft. grd.
LOCATION : 2404 ft. FNL and 694 ft. FEL of University Land Survey 1, Block 1, Reagan County, Texas.

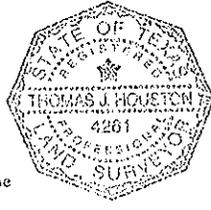
Located: S. 65° W. 12 miles from Big Lake, Texas.

NOTE : The location as shown above has coordinates on the Texas Coordinate System of 1927-Central Zone of:

Y = 536,899 ft.
X = 1,580,980 ft.
Latitude : 31° 08' 10" N.
Longitude : 101° 40' 22" W.

The above sketch represents the location as staked on the ground and is for permit purposes only.

Staked the 27th day of April, 2005.



Thomas J. Houston
Thomas J. Houston
Registered Professional Land Surveyor No. 4261

OFFICE OF
WILSON LAND SURVEYING, INC.
1514 W. BEAUREGARD AVE.
P. O. BOX 3326 PH. 325-653-3916
SAN ANGELO, TEXAS 76902

Position of surveys shown hereon is based on Frank Friends survey of University Lands Blocks 1 to 13 dated November, 1935 on file in the General Land Office.