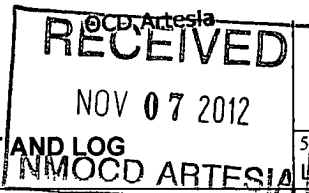


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
OMB NO 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5 Lease Serial No.
LC-029418-B

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name	
b. Type of Completion <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff Resrv, Other _____		7. Unit or CA Agreement Name and No	
2. Name of Operator Capstone Natural Resources, LLC		8. Lease Name and Well No. Lea C # 15	
3. Address 2250 E 73rd ST., Suite 500, Tulsa OK 74136		9. AFI Well No 3001520706	
3a. Phone No (include area code) 918-236-3800		10. Field and Pool or Exploratory Grayburg Jackson, 7 Rivers-QN-GB-SA	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* 1980' FNL and 660 FEL, Section 11, Township 17S, Range 31E At surface 1980' FNL and 660 FEL, Section 11, Township 17S, Range 31E At top prod interval reported below 1980' FNL and 660 FEL, Section 11, Township 17S, Range 31E At total depth		11. Sec., T, R., M., on Block and Survey or Area 1980' FNL and 660 FEL, Sec. 11, Township 17S, Range 31E	
14. Date Spudded 08/29/1972		15. Date T D Reached 09/04/1972	
16. Date Completed 10/18/1972 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod		17. Elevations (DF, RKB, RT, GL)* 3966' GL	
18. Total Depth MD 4030, TVD 4030		19. Plug Back T D MD 4002, TVD 4002	
20. Depth Bridge Plug Set MD none, TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) N/A	
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)			

23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
11"	8 5/8 J-55	24#	Surface	640'		350 sx Class C		Surface	
7 7/8	5 1/5 J-55	15.5#	Surface	4030'		1100 sx Class C		Surface	

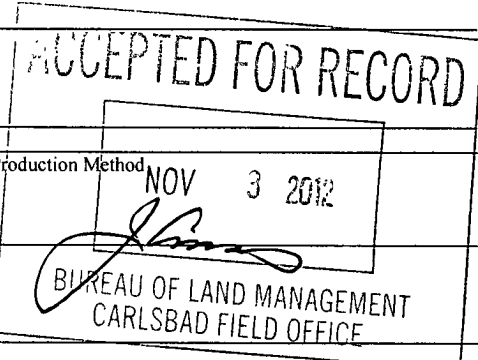
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2 3/8	4001"								

25. Producing Intervals				26. Perforation Record			
Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf Status	
A) Grayburg- San Andres	3442"	4014"	3442'-4014'	.41	28	producing	
B)							
C)							
D)							

27. Acid, Fracture, Treatment, Cement Squeeze, etc.	
Depth Interval	Amount and Type of Material
3360'-3988'	3000 gals 15% HCL

28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
9/27/12	9/28/12	24	→	2		9			Rod pump
Choke Size	Tbg. Press. Flwg SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						



*(See instructions and spaces for additional data on page 2)

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29 Disposition of Gas (Solid, used for fuel, vented, etc.)

30 Summary of Porous Zones (Include Aquifers)

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31 Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc	Name	Top
					Meas Depth
Salado Salt top	802'	1772'	Salt		
Yates	1957'	2142'	Sand, gas		
Seven Rivers	2292'	n/a	n/a		
Queen	2912'	n/a	n/a		
Grayburg	3429'	n/a	n/a		
San Andres	3967	3987	n/a		

32. Additional remarks (include plugging procedure).

This well was acquired and files contained no logs.

33 Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) Darren SeglemTitle Production ManagerSignature Date 10/22/2012

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

(Form 3160-4, page 2)