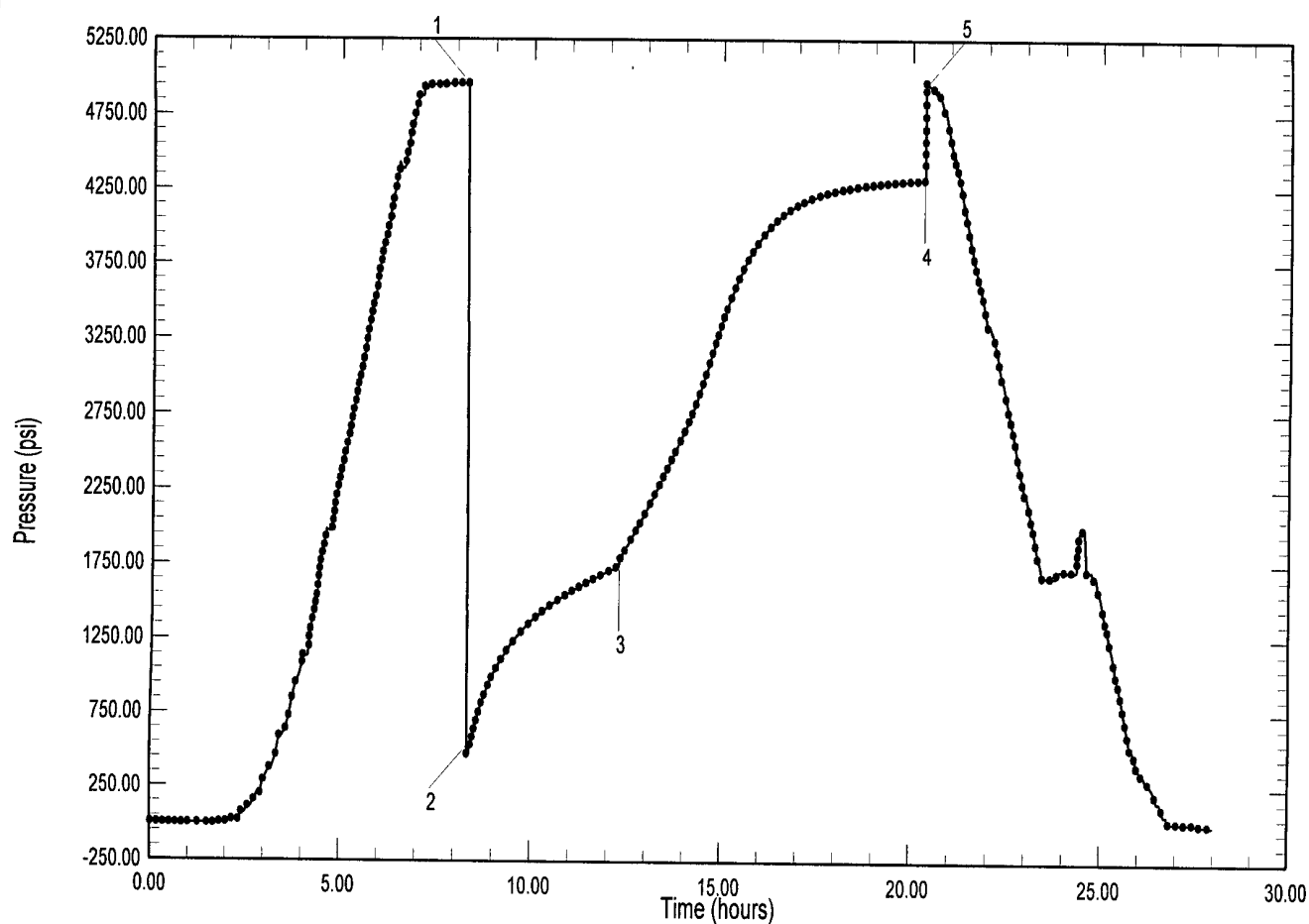


Mewbourne Oil Company

Openhole DST
Pearl 26 State - 1
Willow Tree Road
Rig : Patterson 45
Lea - New Mexico

**Report Contents**

Job Summary, Comments Page, Sequence of Events, Label Point Information, Plots, Summary Data Printout, Distribution

Schlumberger Testing Services

Schlumberger Private

Schlumberger

Job Summary
Mewbourne Oil Company
Openhole DST

Pearl 26 State 1
Willow Tree Road

Service Order Number : 11614102
Test Date : 10-Apr-07

Company Rep Joey Dodson	SWS Rep Kirk Beasley
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Test Information

Test Number One	Formation Bone Springs
	Interval (MD ft) 10,590 - 10,738

Well Location

Well..... Pearl 26 State 1	Rig..... Patterson 45
Field..... Willow Tree Road	State Lea - New Mexico

Wellbore Configuration

Total Depth (MD/TVD ft) 10566	Cushion..... None
Casing / Liner ID (in) 9.625	Wellbore Radius (ft) 8.75
Top of Liner (md- ft)	Mud Weight (lb/gal) 9
	Mud Type Cut Brine
	Chlorides/Res..... 72,000/.067 @ 71

Test String Configuration

Pipe Length (ft) / ID (in) 9755	Gauge Depth (MD) 10602
Pipe Length (ft) / ID (in)	Gauge Depth (TVD) 10602
Drill Collar Length (ft) / ID (in) 796	Test Valve Type MultiFlow Evaluator
Packer Depths (ft MD) / 10590	Test Valve Depth (ft) (MD) 10566

Key Information

Initial Hydrostatic Pressure 4955	Final Shut In Pressure 4316
Init. Hyd Grad & Density 0.467 psi/ft / 8.99 lb/gal	Final Shut In Grad & Density 0.407 psi/ft / 7.83 lb/gal
Final Hydrostatic Pressure 4958	Final Flowing Pressure 1717
Final Hyd Grad & Density 0.468 psi/ft / 8.99 lb/gal	Final Flow Rate ()
Bottom Hole Temp..... 147	Productivity Index ()

This is DST #1 on the Pearl 26 State #1. The Bone Springs Formation was evaluated from 10,590' to 10,738' using conventional openhole test tools. There were three distinct drilling breaks in the test interval. The test was conclusive. There were no drillpipe leaks or plugging. The annulus fluid level remained constant during both the flow and the shutin. A partially plugged manifold caused our surface pressures to be inaccurate. We deeply regret this mistake and apologize for the confusion. This was a one flow/one shutin test. The maximum surface pressure was 42 PSI. Gas did surface and was flared during the shutin period. The drill string was pulled to recovery and then reversed out while collecting samples. The produced fluids were .5 barrels/35' of red oil and 42 barrels/3,458' of water. The chlorides of the produced water were 69,000 – 72,000 PPM. The sample chamber contained 1,900 cc's of water, 200 cc's of oil with 1000 PSI. Please direct any questions about this test to the Hobbs Testing district (505/393-4107) and thank you for choosing Schlumberger.

Schlumberger Crew

Kirk Beasley

Schlumberger Private

Pearl 26 State 1
Willow Tree Road11614102
10-Apr-07

Sample Chamber Capacity (cc) 2500

Measured Fluid Recovery

			<u>Temp (F)</u>	<u>Press (psia)</u>
Oil (cc)	200	API Gravity 43.7	60	1000.0
Water (cc)	1900	Res. (ohms)097 @ 40	60	1000.0
Mud (cc)		Res. (ohms) ...		
Total Liquid Recovery (cc)	2100			
Gas (ft3)	1.16		60	1000.0

Corrected Sample Chamber Gas Recovery

Bottomhole Temperature (F)	147	Assumed SC Gas Gravity	0.650
Final Flowing Pressure (psia)	1717	Est Z Value @ Pwf and Tres	0.853
Corrected Gas Recovery (scf)	1.656		

Sample Chamber Fluid Ratios

Sample Chamber Water Cut	90.5%
GOR Using Corrected Gas Recovery	1317
GLR Using Corrected Gas Recovery	125

Pipe Recovery

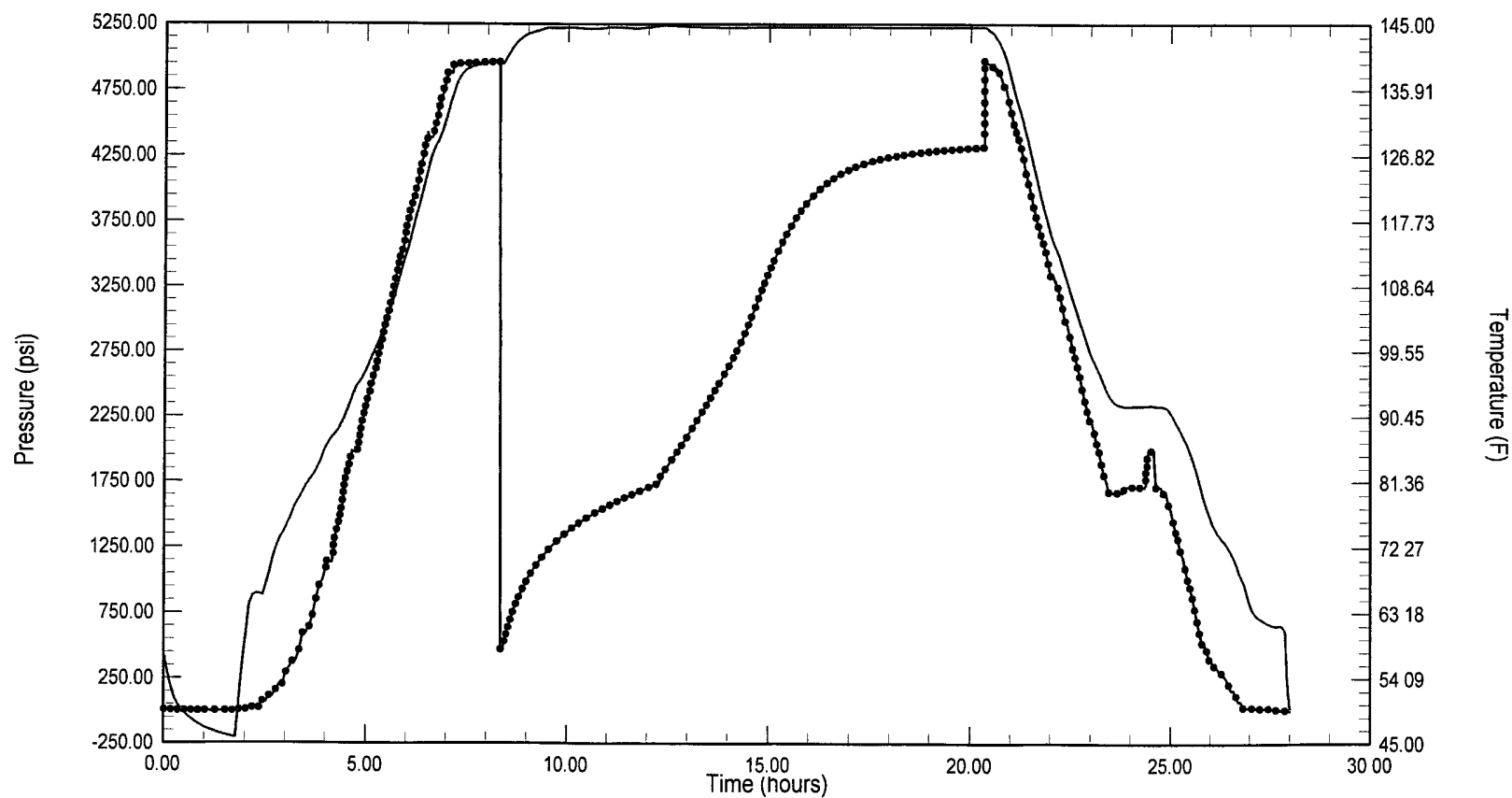
<u>Description</u>	<u>Recovery</u> <u>feet</u>	<u>Pipe ID</u> <u>(in)</u>	<u>Recovery</u> <u>bbl</u>	<u>Oil Density</u> <u>API</u>	<u>RES</u> <u>ohm</u>	<u>CHL</u> <u>ppm</u>
Red Oil/In Drillpipe	35	3.863	0.51	43.7		
Water/In Drillpipe	2662	3.863	38.59		.090 @ 52	69k
Water/In Drill Collars	796	2.38	4.38		.078 @ 60	72k

Pearl 26 State 1
Willow Tree Road11614102
10-Apr-07

Date (dd-mm-yy)	Time (hh:mm:ss)	Comments
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10-Apr-07	9:45	Safety Meeting
	10:00	Set Packer
		Open To 1/8" Bubble Hose Only
	10:25	Recycled Tool
	10:28	Tool Opened
	10:29	Bottom Of The Bucket
	10:40	.75 PSI
	10:50	.5 PSI
	11:00	.5 PSI
	12:30	Manifold Plugged
	14:25	42 PSI
	14:26	End Flow & Start Shut-in With 42 PSI
	14:47	Opened To Flare Pit
	14:58	Gas To Surface With 17 PSI
	22:27	End Shut-in
	22:31	Pulled Loose
		Pulled To Fluid

Bottomhole Pressure and Temperature Log

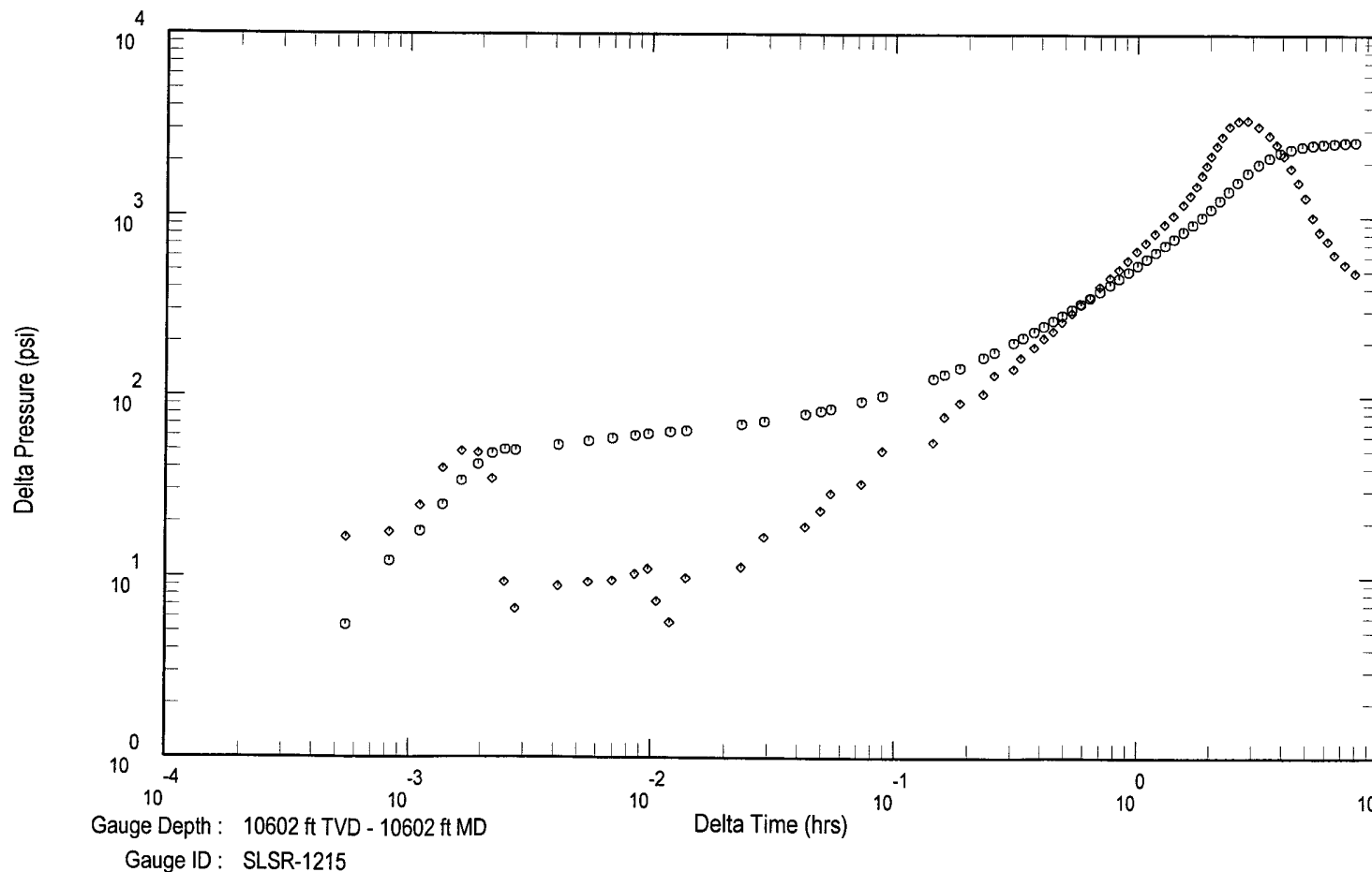


Gauge Depth : 10602 ft TVD - 10602 ft MD
Gauge ID : SLSR-1215

Pearl 26 State 1
Willow Tree Road

11614102
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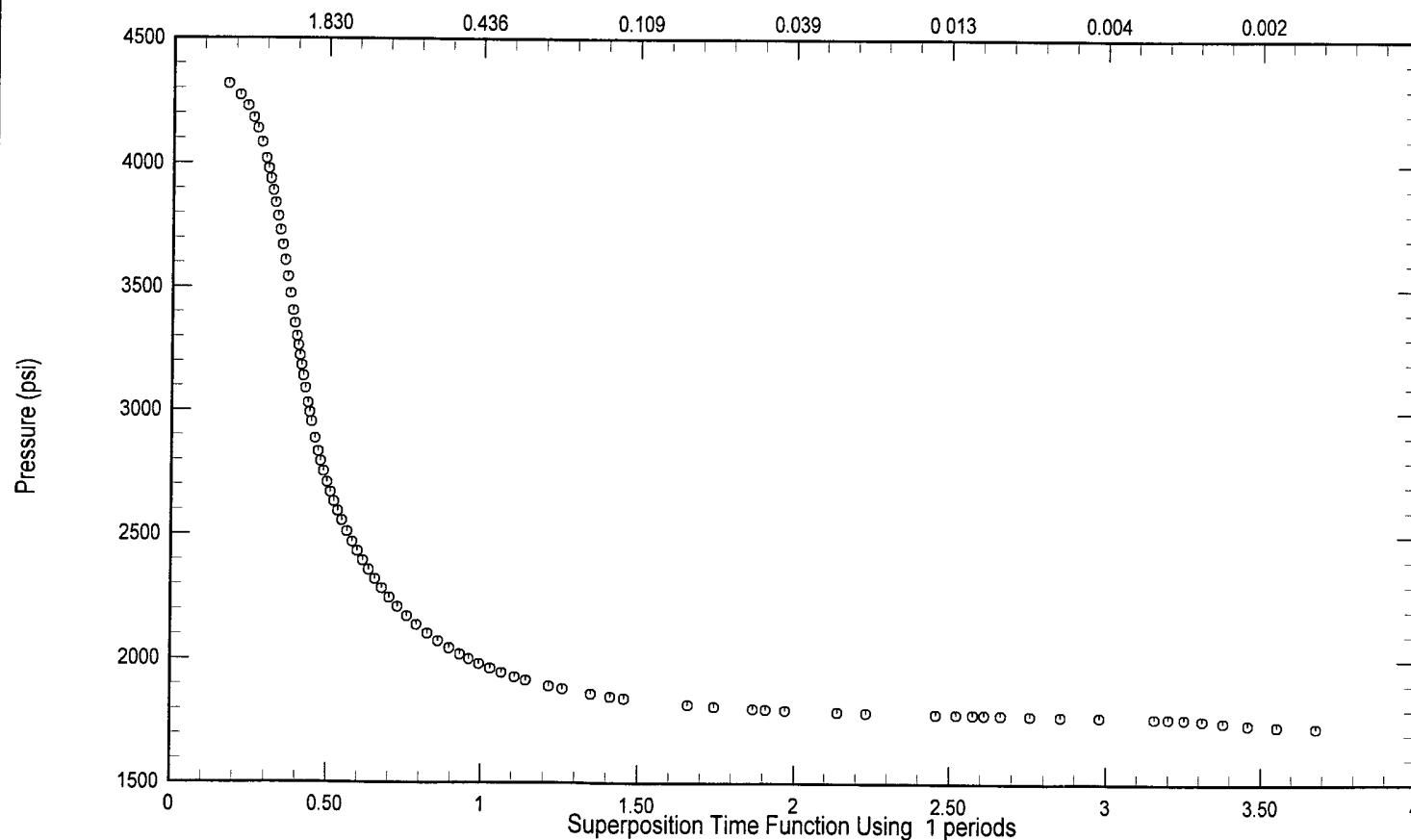
Log-log Plot - Initial Shutin Period



Pearl 26 State 1
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Semi-log Plot - Initial Shutin Period



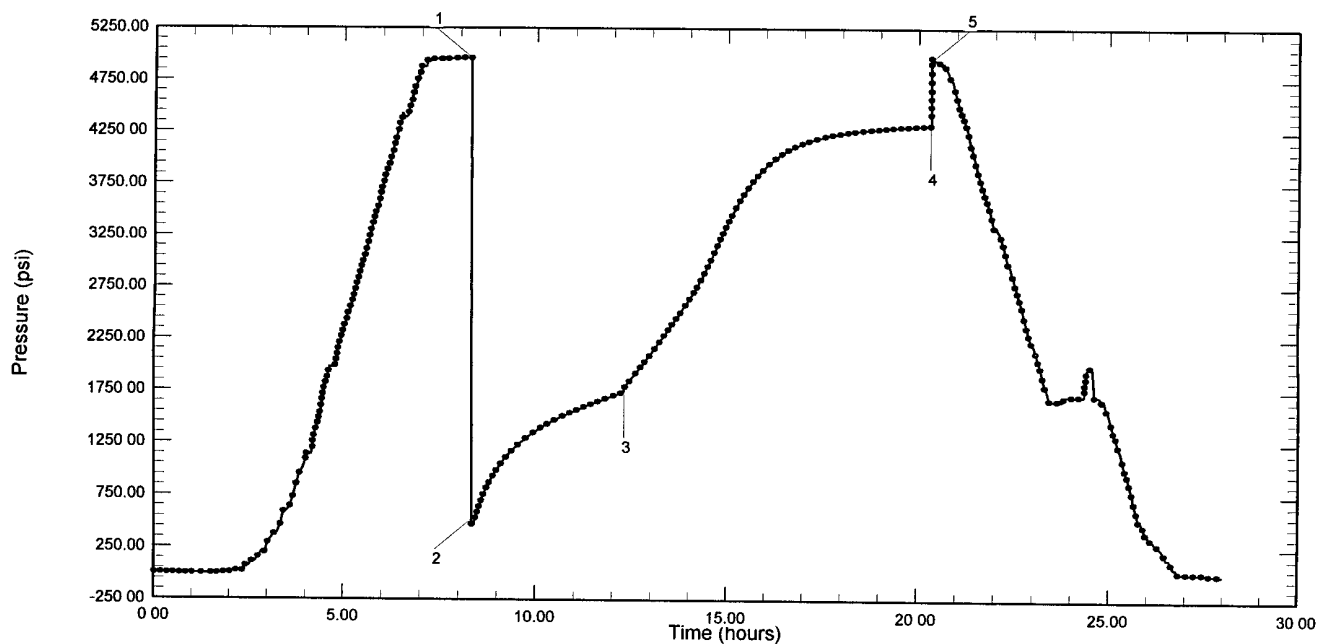
Gauge Depth : 10602 ft TVD - 10602 ft MD
Gauge ID : SLSR-1215

Schlumberger

Label Point Data
Mewbourne Oil Company
Openhole DST

Pearl 26 State 1
Willow Tree Road

11614102
10-Apr-07



Label Point / Comments	Date (dd-mmm-yy)	Time (hh:mm:ss)	Gauge ET (hours)	BHP (psia)	Rate (0.)
Label Point Summary					
1) Hydrostatic Pressure	10-Apr-07	10:26:40	8.311	4955.22	0
2) Start Flow	10-Apr-07	10:28:23	8.340	526.02	1
3) End Flow & Start Shut-in	10-Apr-07	14:25:53	12.298	1717.42	0
4) End Shut-in	10-Apr-07	22:26:48	20.313	4316.01	0
5) Hydrostatic Pressure	10-Apr-07	22:29:13	20.354	4957.89	0

Schlumberger Gauge Data Mewbourne Oil Company Openhole DST		
Pearl 26 State 1	Gauge Serial # SLSR-1215	11614102
Willow Tree Road		April 10, 2007

Date (dd-mmm-yy)	Time (hh:mm:ss)	Elapsed Time (hrs)	BHP (psia)	BHT (Deg F)	Comments
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Initial Flow

10-Apr-07	10:28:23	8.33972	526.020	138.96	
10-Apr-07	11:47:45	9.66250	1269.546	144.48	
10-Apr-07	13:06:56	10.98222	1554.853	144.52	

Initial Shut-in

10-Apr-07	14:25:53	12.29806	1717.424	144.81	
10-Apr-07	15:44:00	13.60000	2412.574	144.54	
10-Apr-07	17:10:27	15.04083	3388.479	144.61	
10-Apr-07	18:45:16	16.62111	4083.971	144.61	
10-Apr-07	20:32:53	18.41472	4262.704	144.54	

Schlumberger**Mewbourne Oil Company
Openhole DST**

Pearl 26 State 1

Gauge Serial # SLSR-1215

11614102

Willow Tree Road

10-Apr-07

Distribution List

2

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Mewbourne Oil Company

PO Box 88241-5270

0

Hobbs NM 88241-5270

ALL INTERPRETATIONS ARE OPINIONS BASED ON INFERENCES FROM ELECTRICAL OR OTHER MEASUREMENTS AND WE CANNOT, AND DO NOT GUARANTEE THE ACCURACY OR CORRECTNESS OF ANY INTERPRETATIONS, AND WE SHALL NOT, EXCEPT IN THE CASE OF GROSS OR WILLFUL NEGLIGENCE ON OUR PART, BE LIABLE OR RESPONSIBLE FOR ANY LOSS, COSTS, DAMAGES OR EXPENSES INCURRED OR SUSTAINED BY ANYONE RESULTING FROM ANY INTERPRETATION MADE BY ANY OF OUR OFFICERS, AGENTS OR EMPLOYEES. THESE INTERPRETATIONS ARE ALSO SUBJECT TO CLAUSE 4 OF OUR GENERAL TERMS AND CONDITIONS AS SET OUT IN OUR CURRENT PRICE SCHEDULE.

Pearl 26 State 1
 Willow Tree Road

11614102
 10-Apr-07

