

# WELL LOGS

K<sub>2</sub>

|             |              |           |                           |
|-------------|--------------|-----------|---------------------------|
| API number: | 30-025-38270 |           |                           |
| OGRID:      |              | Operator: | TORCH ENERGY SERVICES INC |
|             |              | Property: | JAL COOPER UNIT # 508     |

|         |        |   |      |     |      |     |     |
|---------|--------|---|------|-----|------|-----|-----|
| surface | ULSTR: | H | 18   | T   | 24S  | R   | 37E |
|         |        |   | 2546 | FNL | 1238 | FEL |     |

|        |        |   |      |     |      |     |     |
|--------|--------|---|------|-----|------|-----|-----|
| BH Loc | ULSTR: | H | 18   | T   | 24S  | R   | 37E |
|        |        |   | 2546 | FNL | 1238 | FEL |     |

|               |      |     |      |     |      |  |
|---------------|------|-----|------|-----|------|--|
| Ground Level: | 3297 | DF: | 3309 | KB: | 3310 |  |
| Datum:        | KB   |     |      | TD: | 3750 |  |

Land: FEE

Completion Date: (1) 4/11/2007

Date Logs Received: 6/5/2008 \*\*\*LATE\*\*\*

Date Logs Due in: (2) 5/1/2008

|               |    |  |  |           |  |  |
|---------------|----|--|--|-----------|--|--|
| Confidential: | NO |  |  | Date out: |  |  |
|---------------|----|--|--|-----------|--|--|

Confidential period. 90 Days for State & Fee, 1 Year for federal

Date Due In: (1) is equal to Completion Date (1) + 20 days

| Logs    | Depth interval |      |                                      |
|---------|----------------|------|--------------------------------------|
| MPD/MDN | 100            | 3724 | Compensated Neutron Photo Density GR |
| MLE/MMR | 420            | 3724 | Dual Laterolog Micro Laterolog       |
|         |                |      |                                      |
|         |                |      |                                      |
|         |                |      |                                      |
|         |                |      |                                      |
|         |                |      |                                      |

K<sub>2</sub>

## OCD TOPS

|              |      |                     |      |  |
|--------------|------|---------------------|------|--|
|              |      |                     |      |  |
| Rustler      | 1216 | Strawn              |      |  |
| Tansill      | 2800 | Atoka               |      |  |
| Yates        | 3000 | Morrow              |      |  |
| 7R           | 3201 |                     |      |  |
| T. Bowers Sd |      |                     |      |  |
| B. Bowers Sd |      |                     |      |  |
| Queen        | 3618 | Top Jalmat          | 2800 |  |
| Penrose      |      | Base Jalmat         | 3518 |  |
| Grayburg     |      | Top Langlie Mattix  | 3518 |  |
| San Andres   |      | Queen               | 3618 |  |
| Glorieta     |      | Base Lang:ie Mattix | nd   |  |
|              |      |                     |      |  |
| Tubb         |      |                     |      |  |
| Drinkard     |      |                     |      |  |
| Abo          |      |                     |      |  |
| Wolfcamp     |      |                     |      |  |
|              |      |                     |      |  |
|              |      |                     |      |  |
|              |      |                     |      |  |

**TEACO DRILLING INC.**

P O. BOX 1500 (505) 3910699 FAX (505) 391- 3824 HOBBS, NEW MEXICO 88241

**INCLINATION REPORT**

DATE:

WELL NAME AND NUMBER JAL COOPER UNIT # 508  
LOCATION LEA COUNTY NEW MEXICO  
OPERATOR: TORCH ENERGY SERVICES INC  
DRILLING CONTRACTOR TEACO DRILLING INC.

**RECEIVED**

JUN 05 2008

**HOBBS OCD**

THE UNDERSIGNED HEREBY CERTIFIES THAT HE IS AN AUTHORIZED REPRESENTATIVE OF THE DRILLING CONTRACTOR WHO DRILLED THE ABOVE DESCRIBED WELL AND THAT HE HAS CONDUCTED DEVIATION TEST AND OBTAINED THE FOLLOWING RESULTS:

| DEGREE        | DEPTH         | DEGREE        | DEPTH         | DEGREE        | DEPTH         |
|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>0.5</u>    | <u>925</u>    | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>0.25</u>   | <u>1452</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>0.5</u>    | <u>1953</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>0.5</u>    | <u>2205</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>1</u>      | <u>2395</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>2.5</u>    | <u>2801</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>2.25</u>   | <u>2961</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>2</u>      | <u>3238</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>2</u>      | <u>3490</u>   | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |
| <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> | <u>      </u> |

A-18-245-37e  
2546 / N 4 1238/E  
30-025-38270

DRILLING CONTRACTOR:  
TEACO DRILLING INCORPORATED

BY: Bob Wegner  
BOB WEGNER  
DRILLING SUPERINTENDANT

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 8<sup>th</sup> DAY OF March, ~~2006~~ 2007

MY COMMISSION EXPIRES:

8-30-08 Monica Bozyl

KZ