Hobbs, New Mexico Box 38

SEE FORM C-1 SEP 9 M. E. CAYLOR LEASE WELL NO. 1 - Owned & operated by Skelly Oil Company 300100

Located in SW/4 SW/4 of Sec. 6-17S-37E, Lea County, New Mexico

REPORT OF DRILL STEM TEST

D.S.T. 6115-6240':

Tool open 6 hours with light blow of air, which continued as very weak blow, slight blow of gas to surface in 4 hours and continued throughout test. No fluid to surface. Pulled 42" drill pipe and recovered 450' (2 Bbls.) slightly OkGCM, Est. 2% oil, no show of water. H.P. in and out 3170#, IFP O#, FFP 120#, 20-Min. Buildup 195#.