

Report of account of work done, nature and quantity of materials used and results obtained:

Drilled 12,712' to 13,428'. Ran DST #2 12,900'-13,428', Lower Wolfeamp, 5,000' water blanket, tool open 4 hours, slight blow when tool opened, increased to good blow, gas to surface in 3 hours 45 minutes, TSTM. Pulled tool, recovered 5,000' water blanket, 658' heavily gas cut mud. 45 minute ISIP 7750# (still increasing), IFP 2729#, FFP 2905#, 2 hour FSIP 8326# (still increasing), IHP 9760#, FHP 9755#, BHT 183 deg. and 185 deg.

Drilled 13,428' to 14,356'. Ran DST #3 14,110'-14,356', Strawn, 5,000' water blanket, tool open 3 hours fair blow to surface immediately, decreased to weak blow, gas to surface in 1 hour 45 minutes, increased to good blow, 45 psi with 1/8" orifice, 26.8 MCF/D. Pulled tool, recovered water blanket and 720' heavily gas cut mud, trace of distillate or diesel oil in mud. 1 hour ISIP 7457#, IFP 2859#, FFP 2913#, 1 hour 30 minute FSIP 3757# (still increasing), HP in and out 11,185#, BHT 198 deg.

Drilled 14,356' to 14,518'. Attempted DST #4 14,345'-14,518', Atoka. Packer failed.

Drilled 14,518' to 14,557'. Ran DST #5 14,200'-14,557', Atoka, 5,000' water blanket, loaded drill pipe with 98,700 cubic feet nitrogen. Tool open 3 hours, 2 hours bleeding off nitrogen 2,000 to 0, well dead 1 hour, no blow. Pulled tool, recovered 5,000' water blanket, 150' gas cut mud. 2 hour ISIP 6940#, IFP 5172#, FFP 2641#, 30 minute FSIP 2995#, HP 11,158#, BHT 201 deg.

Drilled 14,557' to 15,389'. Ran DST #6 15,120'-15,389', Morrow, 6,000' water blanket, 2,000# nitrogen. Tool open 2 hours 30 minutes, 1 hour 55 minutes bled nitrogen 2,000# to 0#, no blow. Pulled tool, recovered 6,000' water blanket, 330' slightly gas cut mud, no water. 1 hour ISIP 10,990#, IFP 6270#, FFP 3204#, 1 hour 30 minute FSIP 5008#, IHP 11,742#, FHP 11,652#, BHT 208 deg.

Drilled 15,389' to 15,493'.