

Lamley 1R
Post Analysis Report

The Lamley 1R reached total depth of 5836 at 5:30 am CST on February 22, 2012. Open hole logging evaluation started at 4:00pm CST and finished at 7:30pm. We encountered 3 potential pay sands one shallow Miocene sand at 1680 feet that has a total pay thickness of 13 feet, no water contact (the apparent "Blow out sand in the #1 well). The second sand was Yegua sand, we encountered at 5260 with approximately 3 feet of oil pay (41° API). The last zone is our main objective Yegua. The top of the sand is at 5383 feet, with a total of 32 feet of GAS/Condensate on water.

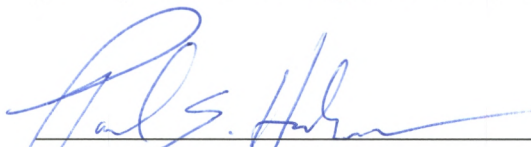
The first sand 1700 foot Miocene sand has no apparent GAS/water contact; the cores indicate flushing near the bottom of the 13 foot sand. The permeability of the sand varies from 115md-2500md. The sand covers an area extent of 60ac with an average thickness of 8.5 feet giving a total reserve of 250,000 MCF. We believe this sand was the primary cause of the #1 Blowout. I believe this will prove to be a commercial zone and recommend when produced to perf 1683-1689 at 4 shots per foot.

The second sand we encountered was at 5260, a yegua sand, with a total thickness of 3ft. Cores indicate the permeability is 73md and porosity of 26%. With this permeability and porosity it has high probably to produce. With the cores indicating oil with an API of 41° makes this zone very viable. The zone should cover at least 60 acres with an average thickness of 2 feet gives us a potential reserve of 20,000-48,000 Bls of oil at the appropriate time I would recommend perfig 5260-5263 with 6 shots per foot.

The main pay sand is our primary objective, the 5400 Yegua sand. This sand, through log analysis and core data, is nice relatively clean Yegua channel sand, which has a total thickness of 56ft with the top 32 feet pay (gas/condensate). The Yegua sands in this area have average permeability of under 100md. Our discovery has permeability ranging from a low of 8.2 md and an unbelievable high of 725md which gives this sand a high degree of production potential. Total productive acreage of 60 acres with an average thickness of 21 feet gives us an ultimate reserve potential of 2 BCF and 57,000 Bls of oil. These wells in the area produce between 1000 MCF - 3000 MCF/day and 30 Bls/oil - 90 Bls.

Recommendation

After review of all the data I recommend we complete the well and perf our primary zone (5400 Yegua Channel). We need to perf from 5384-5388 at 4 shots/ft.


Paul E. Habermas, PG

