



Subject: Exploratory Drilling
Time Period: Current Period
Region: Southeast
County: Not Available
Date: 14 Mar 2011
Company: MIDROC OPERATING CO

Midroc Operating permits wildcat in northwestern Covington County

In the northwestern portion of Covington County, an Alabama wildcat has been staked by Midroc Operating Co one and one-third miles east of the Conecuh County line.

The 20-11 Bery (API 01-039-20066) is slated to be drilled to an undisclosed depth in the Paleozoic. Located in the sw ne sw 20-6n-14e, the vertical venture could extend the Smackover drilling program -- occurring in neighboring Conecuh County -- to the north.

Two and one-third miles to the south-southeast, in the sw se se of section 32, is Sklar Exploration Co's 1 Black Stone Minerals "32-16" (API 01-039-20065). The directional test was spud on March 2 and is expected to also be drilled in the Paleozoic. It is slated to bottom to the southeast beneath the same section.

The nearest recovery is in neighboring Conecuh County, another one and one-third miles to the southwest. Midroc's 6-15 Davis was completed in November 2010 through Smackover perforations at 9960-70 ft pumping 71 bbls of 48-degree oil and 32,000 cu ft of gas daily. Initial production for the 10,186-ft well was 486 bbls of crude and 180 bbls of water.

Along with Sklar and Midroc, Fairways Exploration & Production LLC is active at and/or has drilled several Smackover tests just southwest of that well. Those wells are located on the northeastern flank of Little Cedar Creek field, a Smackover oil pool.

