



Subject: Exploratory Drilling
Time Period: Current Period
Region: Southeast
County: Not Available
Date: 13 Sep 2010
Company: SKLAR EXPLORATION CO LLC
Title: Directional well finaled in Conecuh County by Sklar for 472 BOPD

Shreveport-based Sklar Exploration Co LLC has completed another Smackover well in the eastern portion of Alabama's Conecuh County, about 10 miles west of the town of Red Level.

The 1 Craft-Ralls "28-16" (API 01-035-20214) was tested pumping 472 bbls of oil and 522,000 cu ft of gas per day through perforations at 10,818-10,858 ft. On an 18/64-inch choke, flowing tubing pressure was 400 psi. Located in the sw se se 28-5n-13e, the new producer was directionally drilled to a total depth of 10,946 ft. It bottomed to the northeast beneath the same section. Five-and-a-half inch casing is set on bottom.

Comparable recovery is a half mile to the southwest in the e2 sw ne 33-5n-13e. In March 2010, Sklar completed its 1 Craft-Ralls "33-7" through Smackover perforations at 10,838-10,854 ft pumping 147 bbls of 43-degree oil and 142 bbls of water daily. The vertical 10,880-ft wildcat has yielded 247 bbls of crude and 773 bbls of water to date.

Along with Sklar, Midroc Operating Co and Fairways Exploration & Production have recently completed several Smackover tests in the vicinity.

Little Cedar Creek field is about two miles southwest of the 1 Craft-Ralls "28-16." Brought online in 1994, cumulative Smackover production totals 10.16 million bbls of oil, 9.14 billion cu ft of gas and 108,492 bbls of water.

