

Subject: Exploratory Drilling
Country: Arkansas
Date: 10/10/2003
Company: SKLAR EXPLORATION CO LLC
Title: Southern Arkansas discovery finalized for 690 BOPD

Shreveport-based Sklar Exploration Co LLC has completed a high-volume Cotton Valley wildcat in the southern portion of Arkansas' Union County, about two and two-thirds miles north of the Louisiana state line and nearly seven miles southeast of the town of Three Creeks

The 1 Cameron (API 03-139-13025), nw ne se 19-19s-16w, flowed 690 bbls of 45-degree crude and 250,000 cu ft of casinghead gas per day through perforations at 7551-58 ft. Flowing tubing pressure was gauged at 970 psi on a 12/64-inch choke. Four-and-one-half-inch casing is set to 8150 ft, total depth. Plug-back depth is 7980 ft. The top of Cotton Valley was logged at 6126 ft.

About one and a quarter miles to the south-southwest is a Stateline field well in the se nw sw of section 30. The 1 Slaughter was completed by Mike Rogers Drilling in 1991 at a total depth of 9200 ft. Until January 2002, it recovered 121,583 bbls of oil and 93.28 million cu ft of casinghead gas from the Smackover at 8981-92 ft.

Cotton Valley production can be found over five miles to the west-northwest at the one-well Three Creeks field. Completed by Cummins & Walker Oil Co in 1979, the 1 Rowell "A" flowed 101 bbls of 41.4-degree crude from an interval at 8054-66 ft. The 9005-ft well yielded a cumulative 6,721 bbls of oil, 411,000 cu ft of casinghead gas and 679 bbls of water until 1983.

