

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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02-20-2011

Location and road completed by Sweatt Construction Company.

03-19-2011 thru 03-20-2011

Sweatt Construction built and dig reserve pits for Robinson Rig #15. Install and set cellar.

03-23-2011 thru 04-18-2011

Wait on Robinson Rig #15.

04-19-2011

Move in Dudley Sales and Service and line reserve pit. Fence pit and lay 4" poly line from reserve pit to frac pit. Commence filling reserve with fresh water. Haul 15 loads brine water and put in the inner reserve. Move in and rig up Harris Rathole Service. Drill starting hole and set 40' of 20" conductor pipe. Cement 20" conductor pipe to surface with ready mix. Drill rat hole and mouse hole for Robinson Rig #15 The Conductor setting is to be billed to Myco. Rat hole and Mouse hole to be billed to Robinson Drilling Co.

4-20-2011 thru 4-25/2011

Fill pits with water and wait on Robinson Rig #15 to finish the Univ 5-40 #2 and move over to location and rig up.

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04-26-2011

Day #1

Current Operation: POOH to run 13 3/8" surface casing.

Depth: 361'

Previous Depth: 40'

Progress: 321' in 5.25 Hrs.

ROP: 61.14'/hr

Lithology: Red Bed

Cum rot hrs: 5.25 Hrs.

Bit #1: 17.5", Security, MXC1, Ser #6012889, 3-13's, In @ 40', Out @ 361'
Make 321' in 5.25 Hrs, ROP--61.14'/hr, WOB--All, RPM--120
Dull Grade: 0, 0, No, A, 0, 1, No, TD

Mud: Wt.--8.4, Vis--32, PH--9.0, Chlorides--2200

Pumps: #1: 6" x 18" x 55 SPM, National C350 GPM--420, PP-800
#2: 6" x 16" x 000 SPM, Gardner Denver G&T, GPM--000, PP--000

BHA #1: Bit, Bit Sub, shock sub, 6-8" DC, XO, 4--6" DC's
Length: 326.29' BHA #1 Hrs: 5.25 Total DC Hrs Since Insp--5.25

String WT: Rot. Off Bottom: 45K, PU--45K, Slack Off--45K

Deviation: .5 Deg. @ 339'.

OPERATIONS:

HOURS

0600--2000	Move in Robinson Rig #15 to location. Receive water tanks, dog houses, and sub-structure. Set in and rig up the outline and back yard, Derrick was raised and in the air at 1530 hrs, 04-25-2011. Start rigging up Rotary tools. Finish filling pits and fresh water tanks. Mix spud mud. Put 13 3/8" surface casing on the racks. Pick up and install the mouse hole, Kelly shuck and the Kelly.	14.00
2000--2045	Held safety inspection and pressure test all pump lines.(ok)	00.75
2045--2300	Drill 17.5" hole F/40'--110' with full returns.	02.25
2300--0000	POOH for plugged jet. Unplug jet in bit and GIH to bottom.	01.00
0000--0100	Drill 17.5" hole F/110'--180' with full returns.	01.00
0100--0200	Rig repair/ change out rotary seal on draw works.	01.00
0200--0400	Drill 17.5" hole F/180'--361' w/ full returns. TD 17.5" hole at 0400 hrs CDT	02.00
0400--0430	Circulate and condition hole, Drop Totco.0.5 DEG @ 339'	00.50
0430--0600	TOH to run 13 3/8", 48#, H-40, ST&C surface casing.	01.50

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Total Hrs.

24.00

COMMENTS:

Call and notify TRRC @ 1630 Hrs 04-25-2011 (Amy) of spud, running casing and cement details Job# 4574. Mix spud mud. Spud well @ 2045 hrs, CDT, 04-26-2011. Round trip for plugged bit at 110', TD Surface at 361' at 0400hrs CDT, 4/26/2011. Repair rotary seal. POOH to run 13 3/8" H-40 48# casing.

Receive 10 joints plus 1 cut off, 13 3/8 48# H-40 LT&C from Myco- Andrews pipe yard. (448.89'/off, 456.65'T/on)

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API Number: 42-003-42477
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Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

04-27-2011

Day #2

Current Operation: Drilling cement
Depth: 361'
Previous Depth: 361'
Progress: 00' in 00 Hrs.
ROP: 00.00'/hr
Lithology: Red Bed
Cum rot hrs: 5.25 Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361'
Make 00' in 00.00 Hrs ROP--0.0'/hr WOB--5K RPM--70
Mud: Wt.--8.4, Vis--28, PH-10.0, Chlorides--2200
Pumps: #1: 6" x 18" x 55 SPM, National C350 GPM--366, PP-750
#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000
BHA #2: Bit, Bit Sub, 8" DC, 8" reamer, 8" DC, IBS, 4-8" DC, XO, 00--6"DC's
Length: 265.21 BHA #2 Hrs: 0.0 Total DC Hrs Since Insp--5.25
String WT: Rot. Off Bottom: 35K, PU--35K, Slack Off--35K
Deviation: .5 Deg. @ 339'.

OPERATIONS:

HOURS

0600--0915	Hold JSA, Rig up Permian Csg Crew. Run 9 jts, 366.75', 13 3/8" 48# H40 STC.	03.25
0915--1115	Hold JSA w/ Halliburton. Circ casing volume, Test lines to 1500 psi. Cement 13 3/8" casing with 390 sx, Class "C" + 2% CaCl2. Plug down @ 1100 hrs, CDT, 04/26/2011. Circulate 146 sx to the surface.	02.00
1115--1800	WOC, cut off conductor and 13 3/8 csg. Jet, clean pits. Slip & cut drilling line.	06.75
1800--2100	WOC, Cut and prep casing	03.00
2100--0000	WOC, Weld on 13 3/8" 3M, SOW head test to 500 psi.--(ok)	03.00
0000--0400	WOC, NU BOP'S, Choke lines, Kill Lines, Choke manifold and Flow Line Function test BOP (ok) Test BOP with rig pumps 1000 psi--OK	04.00
0400--0530	Pick up & Make up Bit #2, BHA #2 and TIH w/ 11" PDC bit.	01.50
0530--0600	Tag cement @ 296', and drill cement /shoe	00.50

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Total Hrs.

24.00

COMMENTS:

Call and notify TRRC @ 1630 Hrs 04-25-2011 (Amy) of spud, running casing and cement details Job# 3586. Spud well @ 2045hrs, CDT, 04-26-2011. TD 17.5" Surface hole at 361' at 0400hrs CDT, 4/26/2011, Run 9 jts, (8 new jts + cutoff with welded on shoe) 366.75' 13 3/8" H40 STC. 13 3/8" casing shoe at 361', Insert PDC drillable baffle plate at 299.26'. Circulate 146 sx to surface. . Shut head in for 4 hrs and cut off casing, weld on 13 3/8" 3M SOW head, NU BOP's and test to 1000 psi for 30 min--OK. Make up BHA #2 and TIH. Start drilling cement at 296'. No accidents and no spills.

Receive 10 joints plus 1 cut off, 13 3/8 48# H-40 LT&C from Myco Andrews pipe yard. (448.89' T/off, 456.65' T/on)

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Daily Drilling Report

13 3/8" SURFACE CASING & CEMENTING DETAILS:
UNIVERSITY 5-40 #1

Spud well @ 2045 hrs 04/25/2011 with 17 1/2" Security mill tooth bit. Notified TRRC (Amy) @ 1630 hrs 04/25/2011 of spud, casing and cement job, Job # 4574. No witness. TD surface hole at a depth of 361' @ 0400 hrs, 04/26/2011.

Run casing as follows:

Davis Lynch 13 3/8" Weld on TX Pattern shoe.	1.10'	
2 jt, 13 3/8", 48#, H-40, ST&C Csg.	60.64'	One new jt, one 16.24 cutoff.
Davis Lynch 13 3/8" PDC drillable Baffle plate.	00.00'	
7 jts, 13 3/8", 48#, H-40, ST&C Csg.	305.01'	

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Total 13 3/8" Casing Run: 1 cut off plus 8-Joints 366.75'

13 3/8" Texas Pattern weld on Shoe Set @ 361.00'

13 3/8" Baffle plate set @ 299.26'

Centralizers placed on joint #1, joint #3, and #5 casing collars.

Tack weld the shoe and first three connections

Cement 13 3/8" Casing w/:

390 sx HalCem C + 2% CaCL2. Yield--1.34 cu ft, Wt--14.8 ppg.

Halliburton

Test lines to 1500 psi.

Pump a total of 20 bbls WG-19 gel spacer.

390 sx HalCem-C + 2% CaCl2

Yield--1.34 cu ft. Weight--14.8 ppg.

Displace w/ 47 bbls fresh water. Circulated 146 sks , 35 bbls cement to pit.

Close in with 140 psi. @ 1101 hrs. 04/26/2011. Did not bump the plug.

WOC for 4 hrs, Cut off conductor and Install 13 5/8" 3M Cameron SOW.

Test head & casing to 500 psi. NU BOPE & prepare to test.

NOTE: RECEIVED:

10 new jts, plus 1 cut off, 13 3/8" 48# H-40 ST&C from MYCO Andrews yard.
(456.65' T/on) (448.89' T/off)

NOTE: Left Over Casing on location & Returned to Myco Andrews Yard:

1 cut off joint 13 3/8" 48# H-40 ST&C (22.80')

2 new jts 13 3/8" 48# H-40 STC casing, (84.68' T/on) (83.24' T/off)

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Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

04-28-2011

Day #3

Current Operation: Drill 11" hole with PDC bit with full returns.
Depth: 2093'
Previous Depth: 361'
Progress: 1732' in 20.75 Hrs.
ROP: 83.46'/hr
Lithology: Red Bed
Cum rot hrs: 26 Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361'
Make 1732' in 20.75 Hrs ROP--83.46'/hr WOB--15K RPM--70

Mud: Wt.--8.7, Vis--32, PH-11.0, Chlorides--98200

Pumps: #1: 6" x 18" x 55 SPM, National C350 GPM--366, PP-850
#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000

BHA #2: Bit, Bit Sub, 8" DC, 8" reamer, 8" DC, 8" IBS, 4--8" DC's, XO, 18--6" DC's
Length: 759.19' BHA #2 Hrs: 20.75 Total DC Hrs Since Insp--26.0

String WT: Rot. Off Bottom: 68K, PU--68K, Slack Off--68K

Deviation: .75 Deg. @ 760' , 1 Deg. @ 1266' , 1 Deg. @ 1739'.

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1100 Drill 11" hole with PDC bit from 361'--771' with full returns. New formation.	05.00
1100--1130 Wire line survey @ 760'--.75 Deg./BOP drill.	00.50
1130--1730 Drill 11" hole with PDC bit from 771'--1308' with full returns.	06.00
1730--1745 Wire line survey @ 1266'-- 1 Deg.	00.25
1745--2230 Drill 11" hole with PDC bit from 1308'--1781' with full returns.	04.75
2230--2300 Wire line survey @ 1739'-- 1 Deg.	00.50
2300--0030 Drill 11" hole with PDC bit from 1781'--1877' with full returns.	01.50
0030--0130 Repair rotary chain.	01.00
0130--0145 Drill 11" hole with PDC bit from 1877'--1901' with full returns.	00.25
0145--0245 Rig repair replace rotary chain.	01.00
0245--0600 Drill 11" hole with PDC bit from 1901'--2093' with full returns.	03.25
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Total Hrs:	24.00

Drill 11" hole w/ PDC bit from 361'--2093' w/ full returns. Drill ahead with full returns and taking deviation surveys. No accidents and no spills. Haul in 15 loads of 10# brine.

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Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

04-29-2011

Day #4

Current Operation: Drill 11" hole with PDC bit with full returns.

Depth: 3640'

Previous Depth: 2093'

Progress: 1547' in 22.75 Hrs.

ROP: 68.00'/hr

Lithology: Red Bed/Anhydrite

Cum rot hrs: 48.75Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361'

Make 3279' in 43.50 Hrs ROP--75.37'/hr WOB--25K RPM--65

Mud: Wt.--9.9, Vis--29, PH-11.0, Chlorides--173000

Pumps: #1: 6" x 18" x 55 SPM, National C350 GPM--366, PP-1000

#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000

BHA #2: Bit, Bit Sub, 8" DC, Reamer, 8" DC, IBS, 4--8" DC's, XO, 18--6"DC's

Length: 759.19' BHA #2 Hrs: 43.50 Total DC Hrs Since Insp--48.75

String WT: Rot. Off Bottom: 118K, PU--119K, Slack Off--118K

Deviation: .75 Deg. @ 2211', 1.25 Deg @ 2734', 1 Deg @ 3227'.

OPERATIONS:

HOURS

0600--0830 Drill 11" hole with PDC bit from 2093'--2253' with full returns.

02.50

0830--0900 Wire line survey @ 2211'--.75 Deg./BOP drill.

00.50

0900--1600 Drill 11" hole with PDC bit from 2253'--2776' with full returns.

07.00

1600--1615 Wire line survey @ 2734'-- 1.25 Deg/BOP drill

00.25

1615--2230 Drill 11" hole with PDC bit from 2776'--3269' with full returns.

06.25

2230--2300 Wire line survey @ 3227'-- 1 Deg.

00.50

2300--0600 Drill 11" hole with PDC bit from 3269'--3640' with full returns.

07.00

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Total Hrs:

24.00

Drill 11" hole w/ PDC bit from 2093'--3640' w/ full returns. Drill ahead with full returns and taking deviation surveys. No accidents and no spills. Haul in 16 loads of 10# brine.

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API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

04-30-2011

Day #5

Current Operation: Drill 11" hole with PDC bit with full returns.

Depth: 4625'

Previous Depth: 3640'

Progress: 985' in 23.00 Hrs.

ROP: 44.13'/hr

Lithology: Red Bed/Anhydrite

Cum rot hrs: 71.75Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361'

Make 4264' in 66.50 Hrs ROP--64.12'/hr WOB--25K RPM--65

Mud: Wt.--9.9, Vis--29, PH-11.0, Chlorides--173000

Pumps: #1: 6" x 18" x 52 SPM, National C350 GPM--255, PP-1200

#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000

BHA #2: Bit, Bit Sub, 8" DC, Reamer, 8" DC, IBS, 4--8" DC's, XO, 18--6"DC's

Length: 759.19' BHA #2 Hrs: 66.50 Total DC Hrs Since Insp--71.75

String WT: Rot. Off Bottom: 136K, PU--145K, Slack Off--132K

Deviation: .75 Deg. @ 3689', 1 Deg @ 4213'.

OPERATIONS:

HOURS

0600--0800 Drill 11" hole with PDC bit from 3640'--3731' with full returns.

02.00

0800--0830 Wire line survey @ 3689'--.75 Deg./BOP drill.

00.50

0830--2000 Drill 11" hole with PDC bit from 3731'--4255' with full returns.

11.50

2000--2030 Wire line survey @ 4213'-- 1 Deg/BOP drill

00.50

2030--0600 Drill 11" hole with PDC bit from 4255'--4625' with full returns.

09.50

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Total Hrs:

24.00

Drill 11" hole w/ PDC bit from 3640'--4625' w/ full returns. Drill ahead with full returns and taking deviation surveys. No accidents and no spills.

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Elevations: 3018' GR, 3034' KB

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05-01-2011

Day #6

Current Operation: Laying down 8" collars.

Depth: 5024'

Previous Depth: 4625'

Progress: 399' in 18.75' Hrs.

ROP: 21.28'/hr

Lithology: Red Bed/Anhydrite

Cum rot hrs: 90.5Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361'

Make 4663' in 85.25' Hrs ROP--54.69'/hr WOB--25K RPM--65

Mud: Wt.--9.9, Vis--29, PH-11.0, Chlorides--173000

Pumps: #1: 6" x 18" x 52 SPM, National C350 GPM--255, PP-1250

#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000

BHA #2: Bit, Bit Sub, 8" DC, Reamer, 8" DC, IBS, 4--8" DC's, XO, 18--6"DC's

Length: 759.19' BHA #2 Hrs: 85.25 Total DC Hrs Since Insp--90.50

String WT: Rot. Off Bottom: 136K, PU--145K, Slack Off--132K

Deviation: 1 Deg @ 4676'.

OPERATIONS:

HOURS

0600--1200 Drill 11" hole with PDC bit from 4625'--4718' with full returns.

06.00

1200--1230 Wire line survey @ 4676'--1 Deg / BOP drill

00.50

1230--0115 Drill 11" hole with PDC bit from 4718'--5024' with full returns.

12.75

TD 11" intermediate hole @ 0115 hrs 05/01/2011

0115--0345 Circulate sweep and condition hole, Spot pill and Drop Totco.

02.50

0345--0600 POOH W/BHA #2, SLM to run intermediate casing. Lay down 8" DC's

02.25

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Total Hrs:

24.00

Drill 11" hole w/ PDC bit from 4625'--5024' w/ full returns. TD11" intermediate hole @ 0115 hrs 05/01/2011, Circulate sweep and condition hole. Spot pill and Drop Totco. Pull out of the hole with BHA #2, SLM to run 8 5/8" intermediate casing. Lay down 8" DC's. No accidents and no spills.

Casing on racks has been cleaned, strapped, drifted to 7.75" ID and VTI by Charlie's Pipe Inspection.

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Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-02-2011

Day #7

Current Operation: Nipple Up BOP Equipment
Depth: 5024'
Previous Depth: 5024'
Progress: 000' in 00.00' Hrs.
ROP: 00.00'/hr
Lithology: Red Bed/Anhydrite
Cum rot hrs: 90.5Hrs.

Bit #2: 11", Ulterra, M1669BC, Ser #M9199, 9-13's, In @ 361' Out @ 5024'
Make 4663' in 85.25' Hrs ROP--54.69'/hr WOB--25K RPM--65
Dull Grade: 3, 2, WT, N, X, 1, BT, TD
Mud: Wt.--9.9, Vis--29, PH-11.0, Chlorides--173000

Pumps: #1: 6" x 18" x 52 SPM, National C350 GPM--255, PP-1250
#2: 6" x 16" x 000 SPM, Gardner Denver G&T GPM--000, PP--000

BHA #2: Bit, Bit Sub, 8" DC, Reamer, 8" DC, IBS, 4--8" DC's, XO, 18--6"DC's
Length: 759.19' BHA #2 Hrs: 85.25 Total DC Hrs Since Insp--90.50
String WT: Rot. Off Bottom: 136K, PU--145K, Slack Off--132K
Deviation: 1.25 Deg @ 5020'.

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0915 POOH W/BHA #2, SLM to run intermediate casing. Lay down 8" & 5-6" collars.	03.25
0915--1230 RU Express casing crew. Run 8 5/8" 32# N-80 & J-55 ST&C.	03.25
1230--1400 Wait on elevators from casing crew.	01.50
1400--2015 Finnish running a total of 126 joints, 5032.46', 8 5/8" 32# N-80 & J-55 ST&C. Set at 5025'. Float shoe @ 5025', Float Collar @ 4960.82' Wash last 80' to bottom. R/D casing crew	06.25
2015--0000 Rig up Halliburton cementers. Cement 8 5/8" casing with 10bbl gel spacer 1600 sx EconoCem HLC Premium Plus "C" Yld--2.12 cu ft, Wt--12.4#/gal, Tail in with 300 sx Halliburton Premium Plus "C" + 1% CaCl2. Circ 270 sx. Plug down at 2315 hrs, CDT 05-01-2011. Rig down cementers	03.75
0000--0400 WOC, Wash out BOP stack & prep to set slips on 8 5/8" casing	04.00
0400--0600 WOC, Set Slips, ND BOP stack, Pick up and hang stack. Install "B" section.	02.00

Total Hrs:

24.00

COMMENTS:

Run 8 5/8" casing for a total of 125jts +1 cut off, 5032.46', 8 5/8" 32# HCK-55 ST&C & J-55 ST&C. Float shoe @ 5025'. Float collar @ 4960.82'. Wash 80' to bottom. RU and Cement with 1600 sx: 65-35-10 Lead + 300 sx Class C Tail. Plug down at 2311 hrs, 05/01/2011. Circulate 270 sx to the surface. WOC 4 hrs. ND BOP's, Set 8 5/8" slips w/ 135K. No accidents and no spills.

8 5/8" CASING & CEMENTING DETAILS:

UNIVERSITY 5-40 #1

May 01, 2011

Drill out below 13 3/8" Casing shoe @ 0600 hrs, 4/28/2011
Reach TD 11" Hole at 0115 hrs, 05/01/2011 at a depth of 5025.00'.
Run Davis fluid caliper, AHV 3032Cu. Ft. @ 31 % washout.

Run 8 5/8" Intermediate Casing as follows:

Davis Lynch 8 5/8" Type 500 DJ, weld on Float Shoe	1.62'
1 jts, 8 5/8", 32#, N-80, LT&C Casing.	22.00'
1 jts, 8 5/8", 32#, HCK-55, LT&C Casing.	38.39'
Davis Lynch 8 5/8" Type 700 PDC drillable float collar	2.17'
38 jts, 8 5/8", 32#, HCK-55, LT&C Casing.	1471.31'
84 jts, 8 5/8", 32# J-55, ST&C Casing.	3420.01'
2 jts 8 5/8", 32# N-80, ST&C Casing.	76.96'
	=====
Total 125 jts plus 1 cut off joint 8 5/8" Casing Run:	5032.46'

8 5/8" Float Shoe Set @ 5025.00'

8 5/8" Float Collar Set @ 4960.82'

Install Centralizers 20' above the float shoe, then every third joint for 24 jts.

Cement: 8 5/8" Casing w/: _____ Halliburton.

10 bbl. Gel spacer 2.5 lbm/bbl WG-19

1600 SX EconoCem HLC(65/35:10) "C" Permian Basin Critical Zone +

5%SALT+1#Sk Celloflake + .3% HR-800

Yield 2.12 cu ft, 12.40ppg

300 SX HalCem CLASS "C" + 1% CaCl2+1/4# CF-41L

Yield 1.34 cu ft, 14.8 ppg

Displace w/ 302.00 bbls fresh water, check floats-- ok. Bump plug with 1350 psi.

Circulate 270 sx of cement to the reserve pit. Plug down @ 2315 hrs 05/01/2011.

Notified: TRRC, (Stephany operator #7) @ 2010 Hrs 05/01/2011, of running casing and cement details via telephone. No witness. Land 8 5/8" @ 2015 hrs 05/01/2011, ND BOPs and cut casing. Set slips with 115k, remove spacer spool, make rough cut and prepare to nipple up BOP's.

NOTE: RECEIVED:

39 Jts 8 5/8" 32# J-55 ST&C from Riverside pipe yard.	(1509.70' T/Off, 1535.81' T/On)
84 Jts 8 5/8" 32# HCK-55 LT&C from Riverside pipe yard.	(3580.38' T/Off, 3642.32' T/On)
2 Jts 8 5/8" 32# N-80 LT&C from Myco Andrews Yard.	(76.96' T/Off, 78.29' T/On)
1 cut off Jts 8 5/8" 32# N-80 LT&C from Myco Andrews Yard.	(22.00)

125Jts plus 1 cut off joint

Total = 5189.04' T/Off, 5278.81' T/On

Casing was cleaned and drifted by Charlie's Pipe Inspection.

BACK TO ANDREWS YARD:

1 Cut joint 8 5/8" 32# N-80 STC	22.47'
4 jt. 8 5/8" 32# HCK-55 LT&C	(T/OFF 166.37')

NOTE: TOTAL 8-5/8" CASING RUN of 5032.46' includes the length of casing hardware.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-03-2011

Day #7

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 5540'

Previous Depth: 5024'

Progress: 516' in 11.00' Hrs.

ROP: 46.90'/hr

Lithology: Dolomite/limestone

Cum rot hrs: 101.5Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024'
Make 516' in 11.0 Hrs. ROP--46.90/hr, WOB--25K, RPM--65

Mud: Wt.--9.3, Vis--28, PH--10, Chlorides--65000

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1150
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #3: Bit, Bit Sub, 1-Tri-DC, IBS, 1-6" DC, IBS, 17- 6" DC"s.
Length: 596.82' BHA #3 Hrs: 11.0 Total DC Hrs Since Insp--101.5

String WT: Rot. Off Bottom: 127K, PU--130K, Slack Off--126K

Deviation: 1.25 Deg @ 5020'.

OPERATIONS:

HOURS

0060--1215	Nipple up BOP, choke manifold, flow line, and rotating head. Rig up Monahan's BOP testers. Test Blind rams, pipe rams, manifold, choke, and kill lines to 250 psi low and 3000 psi High. Test annular to 1500 psi.	06.25
1215--1400	Pick up and make up BHA # 3 and TIH with drill collars.	01.75
1400--1630	GIH with Bit #3, and tag cement at 4955'. Test 8 5/8" casing to 2000 psi. (ok)	02.50
1630--1745	Rig repair /work on #2 pump.	01.25
1745--1900	Drill out cement, Plug, float, and shoe F/4955'--5024'.	01.25
1900--0600	Drill 7 3/4" hole with PDC bit from F/5024'--5540' with full returns.	11.00

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 5024'--5540' using PDC bit and full returns. Third party test BOP via Monahan's BOP testers (ok).
Test for Sulfur water flow during connections--no flow. Drill 7 3/4" hole with full returns and take wire line surveys. Rig up
H2S compliance package Via Safety Solutions. Monitor for water flow while drilling. No H2S alarms and no accidents. No
water flow at report time.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-04-2011

Day #8

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 6731'

Previous Depth: 5540'

Progress: 1191' in 21.50' Hrs.

ROP: 55.39'/hr

Lithology: Dolomite/limestone

Cum rot hrs: 123.0 Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024'
Make 1707' in 33 Hrs. ROP--51.72/hr, WOB--25K, RPM--65

Mud: Wt.--9.2, Vis--29, PH--10, Chlorides--90000, CA--2400

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1150
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #3: Bit, Bit Sub, 1-Tri-DC, IBS, 1-6" DC, IBS, 17- 6" DC"s.
Length: 596.82' BHA #3 Hrs: 33.0 Total DC Hrs Since Insp--123

String WT: Rot. Off Bottom: 137K, PU--138K, Slack Off--136K

Deviation: 0.5 Deg @ 5557', 0.5 Deg @ 5960', 0.75 Deg @ 6677',

OPERATIONS:

HOURS

0600--0645	Drill 7 3/4" hole with PDC bit from F/5540'--5599' with 5 gpm water flow.	00.75
0645--0730	Wire line survey @ 5557'--.5 Deg./Service Rig/BOP drill.	00.75
0730--1500	Drill 7 3/4" hole with PDC bit from F/5599'--6002' with 15-20gpm water flow.	07.50
1500--1530	Wire line survey @ 5960'-- .5 Deg./ BOP drill.	00.50
1530--0230	Drill 7 3/4" hole with PDC bit from F/6002'--6561' with 20gpm water flow.	11.00
0230--0315	Work on rotary chain.	00.75
0315--0400	Drill 7 3/4" hole with PDC bit from F/6561'--6619' with 20gpm water flow.	00.75
0400--0430	Wire line survey @ 6677'-- .75 Deg./ BOP drill.	00.50
0430--0600	Drill 7 3/4" hole with PDC bit from F/6619'--6731' with 10-15gpm water flow.	01.50

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 5540'--6731' using PDC bit and full returns. Test for Sulfur water flow during connections--10-20 gpm
Drill 7 3/4" hole with full returns and take wire line surveys. Monitor for water flow while drilling. No H2S alarms and no accidents. Water flow at report time 10-15 gpm does not appear to build volume while drilling.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-05-2011

Day #9

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 7540'

Previous Depth: 6731'

Progress: 809' in 23' Hrs.

ROP: 35.17'/hr

Lithology: Dolomite/limestone

Cum rot hrs: 146.0 Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024'
Make 2516' in 56 Hrs. ROP--44.92/hr, WOB--25K, RPM--65

Mud: Wt.--9.1, Vis--29, PH--10, Chlorides--75000, CA--2400

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #3: Bit, Bit Sub, 1-Tri-DC, IBS, 1-6" DC, IBS, 17- 6" DC"s.
Length: 596.82' BHA #3 Hrs: 56.0 Total DC Hrs Since Insp--146

String WT: Rot. Off Bottom: 162K, PU--164K, Slack Off--156K

Deviation: 1 Deg @ 6978', 1 Deg @ 7541'

OPERATIONS:

HOURS

0600--1200	Drill 7 3/4" hole with PDC bit from F/6731'--7020' with 10-15 gpm water flow.	06.00
1200--1230	Wire line survey @ 6978'--1 Deg./Service Rig/BOP drill.	00.50
1230--0500	Drill 7 3/4" hole with PDC bit from F/7020'--7513' with 10-15 gpm water flow.	16.50
0500--0530	Wire line survey @ 7541'-- 1 Deg./ BOP drill.	00.50
0530--0600	Drill 7 3/4" hole with PDC bit from F/7513'--7540' with 10 gpm water flow.	00.50

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 6731'--7540' using PDC bit and full returns. Test for Sulfur water flow during connections--10-15 gpm
Drill 7 3/4" hole with full returns and take wire line surveys. Monitor for water flow while drilling. No H2S alarms and no
accidents. Water flow at report time 10 gpm with slight pit gain noted while drilling in 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-06-2011 **Day #10**

Current Operation: Drill 7.75" hole with PDC bit and full returns
Depth: 8117'
Previous Depth: 7540'
Progress: 577' in 22.75' Hrs.
ROP: 25.36'/hr
Lithology: Dolomite/limestone
Cum rot hrs: 168.75 Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024'
Make 3093' in 78.75 Hrs. ROP--39.27/hr, WOB--25K, RPM--65

Mud: Wt.--9.0, Vis--29, PH--10, Chlorides--70000, CA--2400

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #3: Bit, Bit Sub, 1-Tri-DC, IBS, 1-6" DC, IBS, 17- 6" DC"s.
Length: 596.82' BHA #3 Hrs: 78.75 Total DC Hrs Since Insp--168.75

String WT: Rot. Off Bottom: 162K, PU--164K, Slack Off--156K

Deviation: 3.25 Deg @ 7964', 2.25 Deg @ 7995'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1900 Drill 7 3/4" hole with PDC bit from F/7540'--8006' with 10 gpm water flow.	13.00
1900--1930 Wire line survey @ 7964'-- 3.25 Deg/Service Rig/BOP drill.	00.50
1930--2230 Drill 7 3/4" hole with PDC bit from F/8006'--8037' with 10-15 gpm water flow.	03.00
2230--2345 Wire line survey @ 7995'-- 2.25 Deg/BOP drill.	01.25
2345--0600 Drill 7 3/4" hole with PDC bit from F/8037'--8117' with 15 gpm water flow.	06.25
	=====
Total Hours:	24.00

COMMENTS:

Drill 7 3/4" hole from 7540'--8117' using PDC bit and full returns. Test for Sulfur water flow during connections--5-10 gpm
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. No H2S alarms and no accidents. Water flow at report time 15 gpm with slight pit gain noted while drilling in 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-07-2011

Day #11

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 8684'

Previous Depth: 8117'

Progress: 567' in 23.0' Hrs.

ROP: 24.65'/hr

Lithology: Shale/Sand

Cum rot hrs: 191.75 Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024'
Make 3660' in 101.75 Hrs. ROP--35.97/hr, WOB--25K, RPM--65

Mud: Wt.--9.0, Vis--29, PH--10, Chlorides--70000, CA--2400

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #3: Bit, Bit Sub, 1-Tri-DC, IBS, 1-6" DC, IBS, 17- 6" DC"s.
Length: 596.82' BHA #3 Hrs: 101.75 Total DC Hrs Since Insp--191.75

String WT: Rot. Off Bottom: 182K, PU--182K, Slack Off--187K

Deviation: .75 Deg @ 8087', .75 Deg @ 8180'

OPERATIONS:

HOURS

0600--0645	Drill 7 3/4" hole with PDC bit from F/8117'--8129' with 15gpm water flow.	00.75
0645--0715	Wire line survey @ 8087'-- .75 Deg/ BOP drill.	00.50
0715--1045	Drill 7 3/4" hole with PDC bit from F/8129'--8222' with 15gpm water flow.	03.50
1045--1115	Wire line survey @ 8180'-- .75 Deg/Rig Service.	00.50
1115--0600	Drill 7 3/4" hole with PDC bit from F/8222'--8684' with 25gpm water flow.	18.75

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 8117'--8684' using PDC bit and full returns. Test for Sulfur water flow during connections--20-25 gpm
Drill 7 3/4" hole with full returns and taking wire line surveys. Change out survey tool with no deviation problems. Monitor
for water flow while drilling. No H2S alarms and no accidents. Water flow at report time 20-25 gpm with slight pit gain
noted while drilling in the past 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-08-2011

Day #12

Current Operation: TIH w/ Bit #4 and BHA #4.

Depth: 8996'

Previous Depth: 8684'

Progress: 312' in 13.75' Hrs.

ROP: 22.69/hr

Lithology: Shale/Sand

Cum rot hrs: 205.5 Hrs.

Bit #3: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 5024', out @ 8996'
Make 3972' in 115.50 Hrs. ROP--34.38'/hr, WOB--25K, RPM--65
Dull Grade: 4, 5, LN, M, 0, 1, CR, HR

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996'
Make 000' in 000.0 Hrs. ROP--00.00/hr, WOB--00K, RPM--00

Mud: Wt.--9.0, Vis--29, PH--10, Chlorides--72000, CA--2600

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #4: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 00.00 Total DC Hrs Since Insp--205.50

String WT: Rot. Off Bottom: 182K, PU--182K, Slack Off--187K

Deviation: .5 Deg @ 8703'.

OPERATIONS:

HOURS

0600--0845	Drill 7 3/4" hole with PDC bit from F/8684'--8745' with 15 gpm water flow.	02.75
0845--0915	Wire line survey @ 8703'-- .5 Deg/ BOP drill.	00.50
0915--2300	Drill 7 3/4" hole with PDC bit from F/8745'--8996' with 15 gpm water flow.	13.75
2300--0400	POOH with Bit #3 with 15-20 gpm flow.	05.00
0400--0600	Lay down tri-collar, change out bit, and GIH with new BHA and bit #4.	02.00

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 8684'--8996' using PDC bit and full returns. Test for Sulfur water flow during connections--20-25 gpm
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling and while POOH with Bit
#3. Lay down tri-collar, GIH with bit #4 and new BHA. No H2S alarms and no accidents. Water flow at report time was 20-
25 gpm with a slight pit gain in the past 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-09-2011

Day #13

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 9473'

Previous Depth: 8996'

Progress: 477' in 18.75' Hrs.

ROP: 25.44/hr

Lithology: Shale/Sand

Cum rot hrs: 224.25 Hrs.

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996'
Make 477' in 18.75 Hrs. ROP--25.44/hr, WOB--20K, RPM--65

Mud: Wt.--9.1, Vis--30, PH--10, Chlorides--72000, CA--2600

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #4: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 18.75 Total DC Hrs Since Insp--224.75

String WT: Rot. Off Bottom: 182K, PU--182K, Slack Off--187K

Deviation: .5 Deg @ 9230'.

OPERATIONS:

HOURS

0600--0945	Finish GIH with Bit #4 with 35 GPM water flow	03.75
0945--1930	Drill 7 3/4" hole with PDC bit from F/8996'--9272' with 35 gpm water flow.	09.75
1930--2100	Wire line survey @ 9230'-- .5 Deg/ BOP drill, change out rotating head.	01.50
2100--0600	Drill 7 3/4" hole with PDC bit from F/9272'--9473' with 10 gpm water flow.	09.00

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 8684'--8996' using PDC bit and full returns. Test for Sulfur water flow during connections--35-10 gpm
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling and GIH with Bit #4 and
new BHA. No H2S alarms and no accidents. Go into steel pits due to excessive water flow. Raise mud weight and PH
back up and prep to mud up. Water flow at report time was 10 gpm.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

=====

05-10-2011 **Day #14**

Current Operation: Drill 7.75" hole with PDC bit and full returns
Depth: 10000'
Previous Depth: 9473'
Progress: 527' in 21.5' Hrs.
ROP: 25.51/hr
Lithology: Shale/Limestone
Cum rot hrs: 245.75 Hrs.

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996'
Make 1004' in 40.25' Hrs. ROP--24.94'/hr, WOB--20K, RPM--65

Mud: Wt.--9.1, Vis--36, PH--10, Chlorides--88000, CA--2800, WL--12CC

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #4: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 40.25 Total DC Hrs Since Insp--245.75

String WT: Rot. Off Bottom: 207K, PU--207K, Slack Off--210K

Deviation: .5 Deg @ 9723'.

OPERATIONS:

		<u>HOURS</u>
0600--1030	Drill 7 3/4" hole with PDC bit from F/9473'--9580' with 10 gpm water flow.	04.50
1030--1100	Rig service, BOP drill.	00.50
1100--1800	Drill 7 3/4" hole with PDC bit from F/9580'--9765' with 10 gpm water flow.	07.00
1800--1900	Wire line survey @ 9723'-- .75 Deg.	01.00
1900--0000	Drill 7 3/4" hole with PDC bit from F/9765'--9875' with 5 gpm water flow.	05.00
0000--0100	Rig Repair/Work on pump	01.00
0100--0600	Drill 7 3/4" hole with PDC bit from F/9875'--10000' with 5 gpm water flow.	05.00

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 9473'--10000' using PDC bit and full returns. Test for Sulfur water flow during connections--5gpm.
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. No H2S alarms and no accidents. Water flow at report time 5gpm with slight pit gain noted while drilling in the past 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-11-2011

Day #15

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 10535'

Previous Depth: 10000'

Progress: 535' in 22.5 Hrs.

ROP: 23.77'/hr

Lithology: Shale/Limestone

Cum rot hrs: 268.25 Hrs.

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996'
Make 1539' in 62.75 Hrs, ROP--24.52'/hr, WOB--25K, RPM--65

Mud: Wt.--9.2, Vis--38, PH--10.5, Chlorides--88000, CA--2800, WL--10CC

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #4: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 62.75 Total DC Hrs Since Insp--268.25

String WT: Rot. Off Bottom: 213K, PU--215K, Slack Off--210K

Deviation: .5 Deg @ 10216'.

OPERATIONS:

HOURS

0600--1115	Drill 7 3/4" hole with PDC bit from F/10000'--10106' with 5gpm water flow.	05.25
1115--1145	Rig service, BOP drill.	00.50
1145--1230	Drill 7 3/4" hole with PDC bit from F/10106'--10125' with 5gpm water flow.	00.75
1230--1245	Rig repair.	00.25
1245--1745	Drill 7 3/4" hole with PDC bit from F/10125'--10258' with 5gpm water flow.	05.00
1745--1830	Wire line survey @ 10216'-- .5 Deg.	00.75
1830--0600	Drill 7 3/4" hole with PDC bit from F/10258'--10535' with 5gpm water flow.	11.50

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 10000'--10535' using PDC bit and full returns. Test for Sulfur water flow during connections--5gpm. Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. No H2S alarms and no accidents. Water flow at report time 5 gpm with slight pit gain noted while drilling in the past 24 hr period.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-12-2011 **Day #16**

Current Operation: Drill 7.75" hole with PDC bit and full returns
Depth: 11028'
Previous Depth: 10535'
Progress: 493' in 21.5 Hrs.
ROP: 22.93'/hr
Lithology: Shale/Limestone
Cum rot hrs: 289.75 Hrs.

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996'
Make 2032' in 84.25 Hrs, ROP--24.11'/hr, WOB--20K, RPM--65

Mud: Wt.--9.2, Vis--38, PH--10.5, Chlorides--88000, CA--2800, WL--8CC

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #4: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 84.25 Total DC Hrs Since Insp--289.75

String WT: Rot. Off Bottom: 210K, PU--215K, Slack Off--202K

Deviation: .5 Deg @ 10709'.

<u>OPERATIONS:</u>	<u>HOURS</u>	
0600--1330	Drill 7 3/4" hole with PDC bit from F/10535'--10720' with 2gpm water flow.	07.50
1330--1345	Rig service, BOP drill.	00.25
1345--1500	Drill 7 3/4" hole with PDC bit from F/10720'--10751' with 2gpm water flow.	01.25
1500--1545	Wire line survey @ 10709'-- .5 Deg.	00.75
1545--1645	Drill 7 3/4" hole with PDC bit from F/10751'--10781' with no water flow.	01.00
1645--1715	Build volume/partial returns. 100bbl loss.	00.50
1715--2230	Drill 7 3/4" hole with PDC bit from F/10781'--10905' with no water flow.	05.25
2230--2330	Rig repair/rotary chain and sprocket.	01.00
2330--0600	Drill 7 3/4" hole with PDC bit from F/10905'--11028' with 5gpm water flow.	06.50

=====
Total Hours: 24.00

COMMENTS:

Drill 7 3/4" hole from 10535'--11028' using PDC bit and full returns. Test for Sulfur water flow during connections--0-5gpm.
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. No H2S alarms and no accidents. Water flow at report time--5 gpm. Loss partial returns with 9.2+ mud wt. Build volume and regain 100% returns.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-13-2011 **Day #17**

Current Operation: Circulate out gas cut mud.

Depth: 11193'

Previous Depth: 11028'

Progress: 166' in 13 Hrs.

ROP: 12.69'/hr

Lithology: Shale/Limestone

Cum rot hrs: 302.75 Hrs.

Bit #4: 7.75", Ulterra, MS1666UD, Ser #1398, 6-15's, In at 8996', Out @ 11193'
Make 2197' in 97.25 Hrs, ROP--22.59'/hr, WOB--20K, RPM--65
Dull Grade: 4, 5, CT, A, X, 1, WT, PR

Bit #5: 7.75", Ulterra, MS1666D, Ser #8138, 6-15's, In at 11193'
Make 000' in 00 Hrs, ROP--000'/hr, WOB--00K, RPM--00

Mud: Wt.--9.0, Vis--38, PH--9.5, Chlorides--64000, CA--1800, WL--7.6CC

Pumps: #1: 6" x 18" x 51 SPM, National C350, GPM--382, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #5: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 00 Total DC Hrs Since Insp--302.75

String WT: Rot. Off Bottom: 210K, PU--215K, Slack Off--202K

Deviation: .5 Deg @ 10709'.

<u>OPERATIONS:</u>		<u>HOURS</u>
0600--1300	Drill 7 3/4" hole with PDC bit from F/11028'--11151' with 2 gpm water flow.	07.00
1300--1315	Rig service, BOP drill.	00.25
1315--1915	Drill 7 3/4" hole with PDC bit from F/11151'--11193' with 10gpm water flow.	06.00
1915--0100	POOH with bit #4, 10-15gpm water flow.	05.75
0100--0500	GIH hole with bit #5 to 5100' and had 40gpm water flow	04.00
0500--0600	Circulate out gas cut mud to pit, and had 15gpm flow.	01.00
		=====
Total Hours:		24.00

COMMENTS:

Drill 7 3/4" hole from 11028'--11193' using PDC bit and full returns. Test for Sulfur water flow during connections--0-10gpm.
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling and tripping pipe.
Intermittent H2S alarms when out of hole with 40gpm water flow. No accidents, Water flow at report time--15gpm.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-14-2011

Day #18

Current Operation: Drill 7.75" hole with PDC bit and full returns

Depth: 11537'

Previous Depth: 11193'

Progress: 344' in 22.5 Hrs.

ROP: 15.28'/hr

Lithology: Shale/Limestone

Cum rot hrs: 325.25 Hrs.

Bit #5: 7.75", Ulterra, MS1666D, Ser #8138, 6-15's, In at 11193'
Make 344' in 22.5 Hrs, ROP--15.28'/hr, WOB--25K, RPM--65

Mud: Wt.--8.8, Vis--36, PH--9, Chlorides--52000, CA--2400, WL--6.6CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1250
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #5: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 22.5 Total DC Hrs Since Insp--325.25

String WT: Rot. Off Bottom: 228K, PU--235K, Slack Off--220K

Deviation: .75 Deg @ 11325'.

OPERATIONS:

HOURS

0600--0945	GIH hole with bit #5-- 40gpm water flow.	03.75
0945--1715	Drill 7 3/4" hole with PDC bit from F/11193'--11367' with 40 gpm water flow.	07.50
1715--1800	Wire line survey @ 11325'-- .75 Deg.	00.75
1800--0000	Drill 7 3/4" hole with PDC bit from F/11367'--11494' with 20 gpm water flow.	06.00
0000--0030	Rig repair work on cellar jet.	00.50
0030--0600	Drill 7 3/4" hole with PDC bit from F/11494'--11537' with 15gpm water flow.	05.50

=====

Total Hours:

24.00

COMMENTS:

Drill 7 3/4" hole from 11193'--11537' using PDC bit and full returns. Finish GIH with bit #5. Test for Sulfur water flow during connections--10-25gpm. Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. Water flow is decreasing during the day. No accidents, Water flow at report time--15gpm.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-15-2011 **Day #19**

Current Operation: Drill 7.75" hole with PDC bit and full returns
Depth: 11841'
Previous Depth: 11537'
Progress: 304' in 23.0 Hrs.
ROP: 13.21'/hr
Lithology: Shale/Limestone
Cum rot hrs: 348.25 Hrs.

Bit #5: 7.75", Ulterra, MS1666D, Ser #8138, 6-15's, In at 11193'
Make 648' in 45.5 Hrs, ROP--14.24'/hr, WOB--25K, RPM--65

Mud: Wt.--9.3, Vis--46, PH--9, Chlorides--52000, CA--2400, WL--8.6CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #5: Bit, Bit Sub, IBS, 1-6" DC, IBS, 17- 6" DC's
Length: 558.74' BHA #3 Hrs: 45.5 Total DC Hrs Since Insp--348.25

String WT: Rot. Off Bottom: 230K, PU--235K, Slack Off--215K

Deviation: .75 Deg @ 11325'.

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0730 Drill 7 3/4" hole with PDC bit from F/11537'--11551' with 15-25gpm water flow.	01.50
0730--0745 Rig service/BOP drill.	00.25
0745--1615 Drill 7 3/4" hole with PDC bit from F/11551'--11736' with 10-20gpm water flow.	08.50
1615--1700 Rig repair, work on #1 pump.	00.75
1700--0600 Drill 7 3/4" hole with PDC bit from F/11736'--11841' with 5gpm water flow.	13.00

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Total Hours:	24.00
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COMMENTS:

Drill 7 3/4" hole from 11537'--11841' using PDC bit and full returns. Test for Sulfur water flow during connections 10-25gpm. Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. Raise weight with 10# brine/ decreased water flow. No accidents, Water flow at report time--5gpm.

The following casing was on location and placed onto pipe racks via Lomac/ Forklift:

362 Joints, 5.5", 17#, P-110, LT&C. (13820.21' threads on, 13585.19' threads Off.)

All 5.5" P-110 LT&C casing is on pipe racks and ready to run. Casing was cleaned and drifted by Charlie's Pipe Inspection.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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05-16-2011 **Day #20**
Current Operation: GIH with bit #6
Depth: 11850'
Previous Depth: 11841'
Progress: 9' in 8.25 Hrs.
ROP: 1.09'/hr
Lithology: Shale/Limestone
Cum rot hrs: 356.5Hrs.

Bit #5: 7.75", Ulterra, MS1666D, Ser #8138, 6-15's, In at 11193' out @ 11850'
Make 657' in 53.75 Hrs, ROP--12.22'/hr, WOB--25K, RPM--65
Dull Grade: 8, 7, BT, A, X, 1, CR, PR

Bit #6: 7.75", Ulterra, MS1666B, Ser #8816, 6-15's, In @ 11850'
Make 00' in 00 Hrs, ROP--00'/hr, WOB--00K, RPM--00

Mud: Wt.--9.2, Vis--41, PH--9, Chlorides--98000, CA--2400, WL--8.6CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #6: Bit, Bit Sub, 18- 6" DC's
Length: 547.34' BHA #6 Hrs: 00 Total DC Hrs Since Insp--356.5

String WT: Rot. Off Bottom: 230K, PU--235K, Slack Off--215K

Deviation: .75 Deg @ 11325'.

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1515 Drill 7 3/4" hole with PDC bit from F/11841'--11850' with No water flow.	08.25
1515--2200 POOH with Bit #5, Lay down reamers and M/U new bit.	07.75
2200--0100 Slip and cut 150' drilling line. No Flow.	03.00
0100--0600 Strap in hole with Bit #6 with No Flow.	05.00
	=====
Total Hours:	24.00

COMMENTS:

Drill 7 3/4" hole from 11841'--11850' using PDC bit and full returns. Test for Sulfur water flow during connection. No flow.
Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. POOOH for bit #6, lay down reamers, slip and cut 150' drilling line. GIH with bit #6; No accidents and no water flow at report time.

All 5.5" P-110 LT&C casing is on pipe racks and ready to run. Casing was cleaned and drifted by Charlie's Pipe Inspection.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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05-17-2011 **Day #21**

Current Operation: POOH with drill pipe.

Depth: 12001'

Previous Depth: 11850'

Progress: 151' in 14.0 Hrs.

ROP: 10.79'/hr

Lithology: Shale

Cum rot hrs: 370.5Hrs.

Bit #6: 7.75", Ulterra, MS1666B, Ser #8816, 6-15's, In @ 11850'
Make 151' in 14 Hrs, ROP--10.78'/hr, WOB--25K, RPM--65

Mud: Wt.--9.0, Vis--41, PH--9, Chlorides--88000, CA--2400, WL--8CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #6: Bit, Bit Sub, 18- 6" DC's
Length: 547.34' BHA #6 Hrs: 14.00 Total DC Hrs Since Insp--370.5

String WT: Rot. Off Bottom: 250K, PU--255K, Slack Off--245K

Deviation: .75 Deg @ 11325'.

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0900 Strap in hole with Bit #6 with No Flow.	03.00
0900--2300 Drill 7 3/4" hole with PDC bit from F/11850'--12001' with 5-10gpm water flow.	
TD well at 2300hrs CDT 5/16/11 @12001', commence day work.	14.00
2300--0300 Circulate hole clean. Spot LCM/5CC water loss pill on bottom.	04.00
0300--0400 Drop Totco and POOH 23 stands of 4.5" drill pipe, Water flow 15-20gpm.	01.00
0400--0600 Draw works #2 motor down (clutch) POOH 17 stands in low gear.	02.00
	=====
Total Hours:	24.00

COMMENTS:

Drill 7 3/4" hole from 11850'--12001' using PDC bit and full returns. Test for Sulfur water flow during connection. 5-10gpm. flow. Drill 7 3/4" hole with full returns and taking wire line surveys. Monitor for water flow while drilling. Circulate and spot 4cc water loss pill on bottom. POOH 40 stands drill pipe flow increasing to 20gpm. No accidents and no water flow at report time.

All 5.5" P-110 LT&C casing is on pipe racks and ready to run. Casing was cleaned and drifted by Charlie's Pipe Inspection.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

=====

05-18-2011 **Day #22**

Current Operation: POOH with laying down drill pipe.

Depth: 12001'

Previous Depth: 12001'

Progress: 000' in 00.0 Hrs.

ROP: 00.00'/hr

Lithology: Shale

Cum rot hrs: 370.5Hrs.

Bit #6: 7.75", Ulterra, MS1666B, Ser #8816, 6-15's, In @ 11850'
Make 00' in 00 Hrs, ROP--00'/hr, WOB--00K, RPM--00

Mud: Wt.--9.0, Vis--41, PH--9, Chlorides--88000, CA--2400, WL--8CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #6: Bit, Bit Sub, 18- 6" DC's
Length: 547.34' BHA #6 Hrs: 14.00 Total DC Hrs Since Insp--370.5

String WT: Rot. Off Bottom: 250K, PU--255K, Slack Off--245K

Deviation: .75 Deg @ 11325'.

OPERATIONS: **HOURS**

0600--0800	Rig repair/ replace #2 draw works clutch, 20-25gpm flow.	02.00
0800--0945	Circulate & displace water cut mud with 10# brine. No flow.	01.75
0945--1045	Set Kelly back and lay down 10jts. Drill pipe.	01.00
1045--1600	Rig repair dropped blocks, no injuries, visually inspect for any damages. Restraining blocks and pick them back up. Change out elevators.	05.25
1600--1800	TIH with 22 stands drill pipe circulate bottoms up while working on Crown saver assembly.	02.00
1800--2100	GIH with 18 stands of drill pipe working on draw works clutches. 4' fill.	03.00
2100--0000	Chain out of hole 40 stands of drill pipe. Continue working on clutches.(ok now)	03.00
0000--0130	Circulate, displace water cut mud with 10# brine. R/U bull Rogers lay down machine. No flow.	01.50
0130--0600	Lay down drill pipe.	04.50

=====

Total Hours:

24.00

COMMENTS:

Replace #2 Draw works clutch. Circulate water cut mud with 10# brine. Begin laying down drill pipe. Driller dropped block @1045Hrs CDT 5/17/11. No injuries. Visually inspect drilling line, crown sheaves, rotary beam and table. String blocks. Pick up blocks and change out elevators and Bull Rogers guillotine for LD machine. GIH back to bottom with no excessive drag noticed. POOH 40 stands and displace water cut mud with 10# brine. R/U bull Rogers LD Machine. Lay down drill pipe. No water flow at report time. **All 5.5" P-110 LT&C casing is on pipe racks and ready to run. Casing was cleaned and drifted by Charlie's Pipe Inspection.**

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-19-2011 **Day #23**

Current Operation: Rig down Bull Rogers casing crew and lay down machine

Depth: 12001'

Previous Depth: 12001'

Progress: 000' in 00.0 Hrs.

ROP: 00.00'/hr

Lithology: Shale

Cum rot hrs: 370.5Hrs.

Bit #6: 7.75", Ulterra, MS1666B, Ser #8816, 6-15's, In @ 11850'
Make 00' in 00 Hrs, ROP--00'/hr, WOB--00K, RPM--00
Dull Grade: 3, 2, WC, A, X, 0, WC, TD

Mud: Wt.--9.0, Vis--41, PH--9, Chlorides--88000, CA--2400, WL--8CC

Pumps: #1: 6" x 18" x 50 SPM, National C350, GPM--374, PP-1350
#2: 6" x 16" x 00 SPM, GDenver G&T, GPM--000, PP--0000

BHA #6: Bit, Bit Sub, 18- 6" DC's
Length: 00.0' BHA #6 Hrs: 14.00 Total DC Hrs Since Insp--370.5

String WT: Rot. Off Bottom: 250K, PU--255K, Slack Off--245K

Deviation: .75 Deg @ 11985'.

OPERATIONS: **HOURS**

0600--0645	Lay down 4.5" drill pipe.	00.75
0645--0900	GIH hole with 40 stands of drill pipe.	02.25
0900--1400	POOH laying down 120 Jts drill pipe and BHA.	05.00
1400--1530	Rig up Bull Rogers casing crew. Work on Hydraulic unit.	01.50
1530--2200	Run 5.5" 17# P-110 casing. Run slow do to high winds and rig off center of hole.	06.50
2000--0030	Back lashed drum, hang blocks, Untangle drilling line and slip and cut 100'	04.50
0030--0500	Finish running 319 jts 5.5" 17# P-110 casing. Total of 12000' shoe @ 11995' Float collar @ 11920', Packer stage tool @ 7005'.	04.50
0500--0600	Rig down Bull Rogers casing crew and lay down machine.	01.00

=====

Total Hours: 24.00

COMMENTS:

Lay down 4.5" drill pipe. GIH hole with 40 stands of drill pipe. Lay down drill pipe and BHA. Run 319 jts, 12000' of 5.5" 17# HCP-110 LTC Csg. Float shoe at 11995', Float collar @ 11920.64, Packer Stage Tool @ 7005.64'. Back lashed drum. Hang blocks and slip and cut 100' of drilling line. Wash last 2 jts to bottom. Rig down Bull Rogers casing crew and lay down machine. 15-20gpm water flow at report time. No accidents. No H2S alarms. Circulate casing volume and rig up Halliburton.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

=====

05-20-2011 Day #24

Current Operation: Rig released @ 0000hrs CDT 5/20/11

Depth: 12001'

Previous Depth: 12001'

Progress: 000' in 00.0 Hrs.

ROP: 00.00'/hr

Lithology: Shale

Cum rot hrs: 370.5Hrs.

Bit #6: 7.75", Ulterra, MS1666B, Ser #8816, 6-15's, In @ 11850'

Make 00' in 00 Hrs, ROP--00'/hr, WOB--00K, RPM--00

Dull Grade: 3, 2, WC, A, X, 0, WC, TD

Mud: Wt.--9.0, Vis--41, PH--9, Chlorides--88000, CA--2400, WL--8CC

OPERATIONS:

HOURS

0600--0730	Safety meeting. Rig up Halliburton Services. Cement Stage #1: 10 bbl fresh water spacer. 750 gallons super flush, 10 bbl fresh water spacer, followed by the following cement: 300 sks lead-- VersaCem-PBSH2 + additives. Yield--1.63 cu ft, Wt--13.2#/gal. 625 sks tail-- VersaCem-PBSH2 + additives. Yield--1.51 cu ft, Wt--13.5#/gal.	01.50
0730--0845	Drop first stage plug. Pump displacement, 50bbbls into displacement had trouble Halliburton truck lost prime to pump truck. Troubleshoot problem For 30 min. Re-Gain full flow 90bbbls into displacement. Catch up to cement and had elevated pressure. Bump plug 21bbbls early w/3200psi @ 0833hrs CDT with full returns.	01.25
0845--0930	Drop opening bomb & and wait 40 min to hit.. Inflate packer & open DV tool.	00.75
0930--1030	Circ cement off of Packer stage tool. Pressure increased at 5-6 bpm to 1800psi, no returns noted, 25-30 gpm water flow at this time. Pumped total of 70bbbls, bled off casing 20-30bbbls, pump 15 bbls, shut in casing with 1600psi. And hold while waiting on cement.	01.00
1030--2100	WOC for 12 hrs after plug was bumped, Nipple down BOP stack. Set 5.5" casing slips w/ 175K. Jet & clean steel pits. Rig down floor, handling tools, Load out drill pipe and rig down all non essential rig equipment.	10.50
2100--2130	Open cement head and had 530psi. bleed off pressure with 1bbl back, Rig down and release Halliburton.	00.50
2130--0015	Cut 5.5" casing. NU blank flange & tbg head. Finish nipple down.	02.75
0015--0600	Rig Down Robinson Rig #1.	05.75

RIG RELEASED AT 0015 HRS, 5/20/2011. END DAY RATE.

=====
Total Hrs. 24.00

COMMENTS

R/U Halliburton, cement first stage 300skx lead 625skx tail. Drop bomb inflate packer stage tool. Bridge off after opening DV tool. Wait on cement 12hrs.ND BOP and set 5.5" casing slips. Wait 12 hrs on cement to set. Bleed off casing. Cut 5.5" casing. NU Tbg head and install blank flange. Jet and clean steel pits. **RIG RELEASED AT 0015 HRS, 05-20-2011.**
Release all rental equipment. **Casing and cement report to follow.**

5.5" CASING & CEMENTING DETAILS:

UNIVERSITY 5-40#1

05/20/ 2011

**Drill out below 8 5/8" Casing shoe @ 1900 hrs, 05/02/2011
Reach TD of 7 3/4" Hole at 2300 hrs, 05/16/2011 at a depth of 12001'**

Run 5 1/2" Production Casing as follows:

Davis Lynch 5.5" Type 500 PVTs Float Shoe P-110	1.45'
2 jts 5.5", 17#, HCP-110, LT&C Csg.	72.64'
Davis Lynch 5.5" Type 700 PVTs Float Collar P-110	1.27'
127 jts 5.5", 17#, HCP-110, LT&C Csg.	4898.60'
1 Davis Lynch 5.5 type 778-100-3 Packer stage Collar	18.40'
190 jts 5.5", 17#, HCP-110, LT&C Csg.	7007.91'

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Total 319 joints 5.5" Casing Run. 12000.27'

5.5" Float Shoe	1.45' Set @	11995.00'
5.5" Float Collar	1.27' Set @	11920.64'
5.5" Packer Stage Tool	18.40' Set @	7005.64'

Install and Place Centralizers 10' above shoe, 20' below float collar, then every third joint for 29 centralizers. Place one centralizer above and below packer stage tool & DV tool.

Cement: 5.5" Casing w/ Halliburton

Stage #1:

10 Spacer, 750 gallons of Super flush 102, Spacer and follow with:

300 sx Lead: VersaCem -PBSH2

.4% HR-800 50# sack, .3% Halad (R)-344, 3% KCL, .75 lbm Pheno Seal Medium

Yield--1.63 cu ft, Wt--13.20#/gal.

625 sx Tail: VersaCem -PBSH2, 0.4% CFR-3, .3% Super CBL, .75 lbm Pheno Seal Medium, 0.3% HR-800

0.75% LAP-1 (Low Fluid Loss Control), 0.25 lbm/sk D-AIR 3000 (Defoamer)

Yield--1.51 cu ft, Wt--13.50#/gal.

Displace w/ 256 bbls fresh water. Bump plug 21bbls early w/ 3200 psi @ 0833 hrs 05/20/2011 and check float. (OK)

Drop bomb and inflate packer stage tool with 350, 500 & 800 psi. Open tool with 1700psi.

Circ 00 sx off of Packer Stage tool.

Drop first stage plug. Pump displacement, 50bbls. into displacement had trouble

Getting water to pump truck with Halliburton centrifugal pump for about 30 minutes.

Pumping at different rates and static at times. Gained full flow 90bbls into

Displacement. Catch up to cement and noticed elevated pressure.

Bumped 21bbls early @ 2700psi and land plug at 3200psi. @ 0833hrs CDT, 5/19/2011 with full returns.

Drop opening bomb and wait 40 minutes for bomb to land. Inflate packer and open DV tool.

Went into circulating cement off of Packer stage tool. Pressure increased to

1800psi no returns noted. 25-30gpm water flow at this time. Pumped total of

70bbls, bled off casing 20-30bbls. Pump 15 bbls, shut in casing with 1600psi.

And hold while waiting on cement. Request load sheets, field blend tests and water analysis from Halliburton.

Unable to pump Stage #2...

Notified: TRRC-- (Audrey operator # 2) @ 0200 Hrs 05/17/2011 of TD, Running 5.5" production casing and cementing casing via telephone. No witness. Land 5.5", Cement 5.5" casing, ND BOP's and cut casing. Set slips with 175k, remove spacer spool, and install blank flange.

NOTE: RECEIVED:

The following casing was on location and placed onto pipe racks via Lomac/ Forklift:

362 Joints, 5.5", 17#, P-110, LT&C

(13820.21' threads on, 13585.19' threads Off)

BACK TO ANDREWS YARD:

1 Cut joint 5.5", 17#, HCP-110, LT&C	21.25'
43 jts, 5.5", 17#, HCP-110, LT&C	(T/OFF 1606.04', T/ON 1633.82')

NOTE: TOTAL 5.5" CASING RUN of 12000.27' includes the length of the casing hardware in it.

MYCO Industries, Inc.
Daily Drilling Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

05-23-2011

WOCU

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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5-26-2011

Drive to location. Hold safety meeting. Move in and rig up Halliburton Electric line truck. Make up and RIH with GR/CCL/-CBL & Temperature survey tool. RIH with tools, tag at 6990' from surface by WL depth. Rig up pump truck to 5.5" csg. Pressure up and pump on the 5.5" csg and pump through the DV tool at 1.5 bpm at 1,800 psi. Shut down. Open up 9 5/8" csg and it was flowing. Flow to pit up 5.5 X 9 5/8" annulus while logging. Pull repeat pass from 6990' up to 6600' with 0 psi. Pressure up on 5.5" casing and pull main pass from 6990' up to the surface w/1000 psi on the casing. Cement top was at 5556' from surface by cement bond tool and temperature tool. Temperature tool showed water flow from 5556'. POOH w/Logging tool, Rig down & release Halliburton Electric line.

6-14-2011

Drive to location. Hold 5 min tailgate safety meeting. Move in Sweatt Construction Blade and clean off location. Move in Butch's Rathole Service anchor truck and set anchors. Move in and set rig matting board (#002) and pipe racks. Move in and rig up Select Well Service Rig #2. Nipple up 7 1/16" 5M Double Ram Manual BOP w/ 2 7/8" pipe rams and blinds on bottom. Set in Freedom Energy Service reverse unit package. **Unload 375 joints of 2 7/8" 6.5# L80 EUE tubing onto pipe racks from block 8 Yard.** Remove thread protectors and tally tubing. Make up and GIH w/ 4 3/4" mill tooth reverse bit, bit sub, XO, and pick up 131 joints of 2 7/8" 6.5# L80 EUE tubing. Drift each joint with 2.442" drift while picking tubing off of the pipe racks. Tag tight spot at 4063' w/11' in on jt#131. Rig up stripper head and pick up swivel. Break circulation. Work tubing up and down fell through. Tubing got hung up. Work tubing loose. Lay down swivel and 2 jts. Secure well SDFN.

6-15-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—350 psi, SI 8 5/8" CP—350 psi. Bleed well down on both 5.5" & 8 5/8" casing. Pull out of the hole with 2 7/8" tubing and bit. Bit had marks on outside of bit and at top of the bit indicating casing part. 5.5" casing was flowing at all times while TOH with tubing. Shut 5.5" casing in and flow continued up 8 5/8" casing. Wait on Halliburton Electric Line truck. Move in Rig up Halliburton Electric line truck. Make up RIH w/ gauge ring worked gauge ring down past tight spot at 4046' by wireline depth, POOH w/ gauge ring make up RIH w/ CCL/ casing inspection log tool. Logged 5.5" csg from 4200' up to 3450' and log showed that the 5.5" casing had a 4' gap from 4046' to 4050'. POOH w/ logging tool, Rig down release Halliburton wireline truck, secured the well SDFN. Prep to POOH w/ 4050' of 5.5" csg. Prepare to spear 5.5" casing and lay it down.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

6-16-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—350 psi, SI 8 5/8" CP—350 psi. Bleed well down on both 5.5" & 8 5/8" casing. Set off H2S alarms with 240 ppm of H2S. Locate BOP for well from WRH--change rams to 5.5". Deliver 9"-3M Double ram BOP to location at 1600 hrs. Unable to locate a 10", 11" BOP from any vendor. WRH had 9" 3M Double ram BOP with 11" 3M Flanges. Deliver 5.5" casing spear and BOP to location. Secure well. SDFN. Prep to Spear and lay down 5.5" casing.

6-17-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—365 psi, SI 8 5/8" CP—365 psi. Bleed well down on both 5.5" & 8 5/8" casing. Move in rig up Safety Solutions to monitor H2S concentrations while working around wellhead. Make up 4.520" spear, ND-BOP & B-section. Speared 5.5" casing, Pick up on casing, remove casing slips from wellhead and install casing bowl and manual slips. Move in rig up Lewis casing crew and Big Bear Lay down machine. POOH and lay down a total of 107 joints (106 full joints and one cutoff) of 5.5" 17# P110 Casing. Last joint laid down had a pin looking down. Threads Look good. Rig down and Release all rental equipment. Secure well SDFWE, waiting on 10K psi rated casing patch and skirted mill. Shut down for the weekend.

6-18-2011 and 6-19-2011

Shut down for the weekend waiting on high pressure casing patch.

6-20-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in 8 5/8" Casing Pressure—220 psi. Bleed well down. Move in rig up Safety Solutions to monitor H2S concentrations while working around wellhead. Make up BHA and did not have the proper tools to make up BHA, so took the BHA to Saxon Rig #109 and torque up BHA. Change out 9" 3K manual BOP for 9" 3K hydraulic BOP w/ 2 7/8" pipe rams and blinds on bottom. Make up and go in the hole with 7-5/8" skirted mill, XO, 6-4 3/4" drill collars, XO and 125 joints of 2-7/8" 6.5# L80 tubing. Tag the top of csg collar @ 4046' by tubing tally w/ 10' in on Joint #125. Nipple up stripper head, pick up swivel, secured the well. SDON. Prep to mill off 5.5" casing to good clean body and push collar out of the way. High pressure casing patch arrived this pm for the 5.5" casing.

6-21-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in 8 5/8" Casing Pressure—230 psi. Bleed well down. Move in rig up Safety Solutions to monitor H2S concentrations of 600 ppm while working around wellhead. Move down Tag 5.5" csg collar at 4,049' w/revised tbg tally. Pick up swivel and mill on 5.5" casing, pushing collar down hole and mill a total of 3' off of casing from 4049 down to 4052' to expose a good clean stub. Circulate hole clean. Lay down swivel, Nipple down stripper head, POOH w/125 joints of 2-7/8" 6.5# L80 tubing. Lay down 6-4 3/4" drill collars, and BHA. Replace 2 7/8" pipe rams w/5.5" rams, Secure well SDFN. Prep to pick up and RIH w/5.5" casing patch (10K).

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

6-22-2011

Drive to location. Hold five minute safety meeting. Move in fork lift. Unload 35 bad joints off the pipe racks onto the side of the location. Move in and load 35 joints of new 5.5" 17# P110 LTC casing onto the pipe racks to replace the old casing. Wait for casing inspection crew to tally, drift and clean casing and perform VTI. Casing crew arrived on location and all four hands were not shaved, waited on their salesman to bring out razor blades so they could shave due to the H2S gas on location. Move in rig up Safety Solutions to monitor H2S concentrations of while working around wellhead. Make up RIH w/ 5-1/2" packer type casing patch and 76 joints of 5.5" 17# P110 casing. Secured the well SDFN. Prep to finish RIH w/ casing in the AM and flange up wellhead.

6-23-2011

Drive to location. Hold five minute safety meeting. Shut in 5.5" Casing Pressure —200 psi. Bleed well down. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Continue to RIH w/ 27 more joints of 5.5" P110 17# LTC casing. Latched on to the parted casing at 4052' and then pull 20k over string weight on casing for a total of 90,000# hook load. The 5.5" casing parted again below the casing patch at 4052' and gained an additional 8000# of hook load on the weight indicator. Pull out of the hole laying down the 5.5" casing again. Lay down 52 joints and the casing parted again while just laying down the casing. Casing dropped approximately 1000'. Finish POOH with the casing. Casing was parted 52 joints from surface on a casing collar. Casing collar was cracked vertically from one end to the other. This leaves a pin looking up and a fish of 51 joints of 5.5" casing as a fish to the Smith Casing Patch, then approximately 10 joints more below the patch to where casing parted while pulling 20K over the string weight. Secure well. SDFN. Prepare to GIH and fish 5.5" casing with pin end looking up.

6-24-2011

Drive to location. Hold five minute safety meeting. Shut in 8-5/8" Casing Pressure —200 psi. Bleed well down. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Make up RIH w/ 7-3/8" overshot w/ 5.5" grapple, bumper sub, XO, 2-7/8" 6.5# L80 sub plus 61 jts of 2-7/8" 6.5# L80 tubing. Tag the top of the 5.5" casing fish @ 1950' from surface, latched on to fish, POOH w/ tubing. Lay down the fishing BHA and move in RU Permian Power Tong Casing Crew. Crew had trouble getting their power unit motor for the hydraulic tongs. It took approximately two hours to get it started and running. Rig up the tongs and pull out of the hole laying down 17 joints of 5.5" 17# P110 LTC casing. Casing Crew backup tong quick working and called in for a different backup. Wait 3 hrs for the backup and called back in to check status of back up tongs. Casing crew supervisor never called in to the shop and order them. Rig down and release Permian Power Tongs casing crew and REFUSED to sign their field ticket. Shut down, secure the well and will try to arrange another casing crew company to finish laying down the casing on Monday am. NOTE: Three of the casing collars unscrewed from the tube and then locked up after 3 rounds.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

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6-25-2011 and 6-26-2011

Shut down for the weekend waiting on casing crew.

6-27-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—210 psi, SI 8 5/8" CP—210 psi. Move in rig up Lewis casing crew and Big Bear Lay down machine. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Bleed well down on both 5.5" & 8 5/8" casing. Continue to POOH laying down 35 more joints of 5.5" 17# P110 LTC casing. Lay down 7" X 5.5" packer type casing patch and then 25 more joints of 5.5" 17# P110 casing. We had two joints of 5.5" casing that were cut into each other for half of a joint that were two joints below the casing patch. Top of 5.5" casing is now at 5025'. Secure well. SDFN.

6-28-2011

Drive to location. Meet up w/ Mr. Bowman Urech of Tubular Synergy Co., and allow him to take pictures and cut collars off of damaged casing that were broken and cracked. Welder polished casing collars so identification numbers could be read on the collars taken for samples. Samples were given to Mr Nelson Muncy of Myco Industries Inc and taken to FedEx for delivery to Houston Metallurgical Labs for testing. Samples were packaged at Tool Pusher Supply in Artesia, NM and picked up by Federal Express for delivery to Houston Metallurgical Labs. Two Samples were sent to Houston Metallurgical Labs and one sample was turned over to Toolpusher Supply, Susan Moreno for an independent inspection and evaluation to a different lab.

6-29-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in 8 5/8" Casing Pressure—210 psi. Bleed well down. **Transfer 171 joints of 5.5" 17# HCP-110 LT&C casing that had been in the well and was damaged from University 5-40 #1 to Myco Andrews block 8 yard in a separate storage area and fenced off.** Move in rig up Safety Solutions to monitor H2S concentrations while working around wellhead. Make up and go in the hole with 7-5/8" skirted mill, XO, 6-4 3/4" drill collars, XO and 125 joints of 2-7/8" 6.5# L80 tubing. Tag the top of the 5.5" casing @ 5033' by tubing tally w/ 7' out on Joint #156. Nipple up stripper head, pick up swivel, and mill on 5.5" casing, pushing collar down hole and mill a total of 3' off of casing from 5053' down to 5056' to leave a good clean stub. Circulate hole clean. Lay down swivel, Nipple down stripper head, POOH w/26 joints of 2-7/8" 6.5# L80 tubing. Secure well, SDFN. Prep to finish POOH w/the rest of the tubing and mill in the am.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

6-30-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—225 psi, SI 8 5/8" CP—210 psi. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Bleed well down on both 2 7/8" 6.5# L80 tubing & 8 5/8" casing. Continue to POOH with 130 joints of 2 7/8" 6.5# L80 tubing, XO, 6-4 3/4" drill collars, & lay down 7-5/8" skirted mill. Make up and go in hole with 7-3/8" overshot w/ 5.5" grapple, XO, 4' X 2-7/8" 6.5# L80 sub plus 162 joints of 2-7/8" 6.5# L80 tubing. Tag the top of the 5.5" casing fish @ 5056' from surface, latched on to fish. MIRU Rotary Wire Line truck and make up, RIH w/2" Split Shot. Correlate on depth to first casing collar above the top of the cement according to Radial CBL log. Split Shot 5.5" casing collar at 5538' by wire line depth. Rig down and release Rotary Wire line. POOH with 161 joints of 2 7/8" 6.5# L80 tubing. Rig up reverse unit to 8 5/8" casing and pump 120 bbls of 10# brine water down the 5.5" csg annulus at 2 bpm at 350 psi. Secure well, SDFN. Prep to RU casing crew in the am to lay down remaining 5.5" casing.

7-1-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—180 psi, SI 8 5/8" CP—220 psi. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Bleed well down on both 2 7/8" 6.5# L80 tubing & 8 5/8" casing. Continue to POOH with 2 more joints of 2 7/8" 6.5# L80 tubing, 4' X 2-7/8" 6.5# L80 sub, XO, 7-3/8" overshot w/ 5.5" grapple, Move in rig up Lewis casing crew. POOH and lay down 2 more joints of 5.5" 17# P110 LTC casing fish that were recovered with overshot. The 5.5" casing came apart again while POH and the last joint laid down had a cracked collar looking down. Make up and go back in the hole with 7-3/8" overshot w/ 5.5" grapple, XO, 4' X 2-7/8" 6.5# L80 sub plus 165 joints of 2-7/8" 6.5# L80 tubing. Tag the top of the 5.5" casing fish @ 5108' from surface, latched on to fish. POOH with 165 joints of 2 7/8" 6.5# L80 tubing, 4' X 2-7/8" 6.5# L80 sub. XO, 7-3/8" overshot w/ 5.5" grapple, Move in rig up Lewis casing crew. POOH laying down 12 more joints of 5.5" 17# P110 LTC casing. Last joint had a cracked collar looking down from the split shot charge used to split the casing collar with the wire line. Rig down and release Lewis casing crew. Make up and go in the hole with 7-5/8" skirted mill, XO, 6-4 3/4" drill collars, XO and 154 joints of 2-7/8" 6.5# L80 tubing leaving the end of mill @4980' from surface. Rig up reverse unit to 8 5/8" casing and pump 100 bbls of 10# brine water down the 5.5" csg annulus at 2 bpm at 300 psi. Secure well, Shut down for 4th of July Weekend. Prep to finish RIH w/tbg and mill on 5.5" casing, Tuesday am. The plan is to mill off 3' of 5.5" casing stub to make sure we have good casing below the damage from the 2" Split Shot charge used to split the 5.5" casing collar. We have now recovered all the 5.5" casing from the first 5.5" casing collar above the cement top to the surface.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

7-5-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—200 psi, SI 8 5/8" CP—210 psi. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Bleed well down on both 2 7/8" 6.5# L80 tubing & 8 5/8" casing. Continue to RIH with 19 more joints of 2-7/8" 6.5# L80 tubing. Tag the top of the 5.5" casing @ 5531' by tubing tally w/ 15' in on Joint #173. Rig up and Nipple up stripper head, pick up swivel, Break circulation and mill on 5.5" casing, and mill a total of 3' off of casing from 5531' down to 5534' to leave a good clean stub. Circulate hole clean. Lay down swivel, Nipple down stripper head, POOH w/173 joints of 2-7/8" 6.5# L80 tubing. XO, Lay down 6-4 3/4" drill collars, & lay down 7-5/8" skirted mill. Secure well, SDFN. Prep to RU casing crew in the am to run 5.5" 20# HC L80 LTC casing.

7-6-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in 8 5/8" CP—230 psi. Move in rig up Safety Solutions to monitor for H2S concentrations while working around wellhead. Move in and load 125 joints of new 5.5" 20# P110 LTC casing onto the pipe racks and wait for casing inspection crew to tally, drift and clean casing. Move in rig up Lewis casing crew and Big Bear Lay down machine. Bleed well down. Make up and run in the hole with Smith International 5-1/2" 10K packer type casing patch and 124 joints of new Koppel 5.5" 20# HC L80 LTC seamless casing. Latched on to the milled off casing stub above cement top at 5534' and then pull 40k over string weight on casing for a total of 130,000# tension. Set 5.5" casing slips by Cameron. ND 9" Blow Out Preventer. Rig up reverse unit to 5.5" casing. Load casing w/1 bbl of fresh water and pressure up to 2000 psi, and was unable to pump through DV tool. Bleed pressure down. Rig up Cameron wellhead. Cut off 5.5" 20# HC L80 casing. Flange up and test wellhead to 3000 psi--OK. Nipple up 7 1/16" 5M Double Ram Manual BOP w/ 2 7/8" pipe rams and blinds on bottom. Rig up reverse unit to 8 5/8" casing and pump 220 bbls of packer fluid down the 8 5/8" casing at 3 bpm with 450 psi. Packer fluid contained corrosion inhibitors, O2 Scavenger and H2S scavenger. Secure well, SDFN. Prep to RIH w/string mill in the am through the casing patch to insure it is clear of burrs or obstructions.

7-7-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—0 psi, SI 8 5/8" CP—320 psi. Open up the BOP, make up run in the hole with a 4-5/8" mill tooth bit, bit sub, and 225 joints of 2 7/8" 6.5# L80 tubing. Worked bit through casing patch tool at 5534' numerous times. Tag top of fill at 6995' by tubing tally. Rig up stripper head and pick up swivel. Break circulation and displace the hole with 160 bbls of fresh water. Work the bit down and clean out 4' of fill off of DV tool down to 6999'. Work bit up and down was unable to get deeper, never putting more than 2-3K wt on the bit. Shut the BOP and try to pump through the stage tool with no success. Pump into the 5 1/2" casing with pressure rising to 2000 psi. No leak off occurred so surge casing pressure several times and pressure back up to 2000 psi, but never did get an injection rate or any leak off. Bleed pressure off of the 5 1/2" casing and rig down swivel. Pull out of the hole with 225 joints of 2 7/8" 6.5# L80 EUE tubing. Lay down XO and 4-5/8" bit. Rig up reverse unit to 8 5/8" casing and pump another 130 bbls of packer fluid down the 8 5/8" casing at 3 bpm at 450 psi. Secure well. SION.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

7-8-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—0 psi, SI 8 5/8" CP—320 psi. Wait on orders, make up & run in the hole with 2 7/8" notch collar and 225 joints of 2 7/8" 6.5# L80 tubing. Tag top of fill at 6999' by tubing tally. Pick up off of bottom. Leave end of notch collar at 6996'. Secure well. SDFN Prep to pump cement down the 8 5/8" casing in the am,

7-9-2011

Drive to location. Hold 5 min tailgate safety meeting. Wait on Halliburton from 6:00 AM – 4:30 PM. Move in, Rig up Halliburton Cement trucks. Rig up to the 2 7/8" tubing and circulate the hole with 110 bbls of fresh water on top of the DV tool to wash out trash. Shut the casing valve & establish an injection rate through DV tool of 1.7 bbl at 3800 psi. Pump 50 bbls fresh water through the DV tool & shut down. Bleed well down. Rig down Halliburton and pull out of the hole with 225 joints of 2 7/8" 6.5# L80 tubing. Lay down notch collar. Make up and run in the hole with 4-5/8" mill tooth bit, bit sub, and 177 joints of 2 7/8" 6.5# L80 tubing. Secure well SDFN. Prep to cement 8 5/8" casing in the am.

7-10-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP & SICP—0 psi. Continue RIH with 49 more joints of 2 7/8" 6.5# L80 tubing. Move in and Rig up Halliburton Cement trucks. Rig up to tubing to get injection rate through DV tool. Load tubing with 2 bbls of fresh water. Tag stage tool at 7005' and set 2-K wt on the bit. Shut the BOP and try to pump through the stage tool with no success. Pump into the 5 1/2" casing with pressure rising to 4000 psi. No leak off. Move down set 35K on tool to shut DV tool. Retest DV tool to 4000 psi—OK. Bleed pressure down. Rig down Halliburton from tubing and tie onto 8 5/8" casing. POOH with tubing. Lay down BHA. Move in Rig up Halliburton Squeeze Manifold. Rig up to 5.5" casing and to 8 5/8" casing. Test Lines to 4000 psi--OK. Load 5.5" casing with 14.5 bbls of fresh water. Pressure up on 5.5" casing to 2500 psi--OK. Establish injection rate down the 8 5/8" casing with 6 bpm at 755 psi. Pump 200 sx of Econocem C at 12#/gal with 5 bpm at 550 psi. Pump 7.5 bbl fresh water spacer followed by 24 bbls of Super flush 101 with 5 bpm at 325 psi. Pump 10 barrels fresh water spacer followed by 150 sx of Class C at 14.8#/gal with 5 bpm at 290 psi. Pump 160 sx of Halcem "C" at 14.5#/gal at 5 bpm with 310 psi, then pump 1000 sks of Halcem "C" at 14.8#/gal with 5 bpm at 330 psi. Pump 200 sx of Halcem C at 14.8#/gal with 5.2 bpm at 460 psi. Continue to pump and pumped another 400 sks of Halcem C at 15.2#/gal at 4 bpm with 510 psi increasing to 2250 psi. Shut down with a good Squeeze of 2228 psi. Wash up cement pumps and clear the 8 5/8" casing valves with 1/2 bbl fresh water. Rig down, release Halliburton cement equipment. Shut well in, SDFN. Prep to RIH and drill out Stage tool in the am.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

7-11-2011

Drive to location. Hold 5 min tailgate safety meeting. SI 5.5" CP—Slight blow, SI 8 5/8" CP—0 psi. Make up and GIH w/ 4 5/8" mill tooth reverse bit, bit sub, 6—3.5" DC's, XO, and then 220 joints of 2 7/8" 6.5# L80 EUE tubing. Tag top of packer stage tool at 7021' by tubing tally. Rig up stripper head and pick up swivel. Break circulation. Drill 4' in 4.5 hours and was getting metal shavings back in the samples at the reverse pit. Circulate bottoms up. Lay down swivel. POOH with 70 joints of 2 7/8" 6.5# L80 EUE tubing, secure well, SDFN. Prep to finish POOH with tubing & BHA in the am. We then plan to GIH w/ cone buster mill to mill up any casing debris that may have fallen on top of packer stage tool during casing milling and severing operations to recover the damaged 5.5" casing from 5561' to the surface.

7-12-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—0 psi, SICP—0 psi. Continue to POOH with 220 joints of 2 7/8" 6.5# L80 EUE tubing. XO, 6—3.5" DC's, bit sub, and 4 5/8" mill tooth reverse bit. Bit was missing all 3 cones. Make up RIH with 4.5/8" Smooth OD Cone buster mill, 6—3.5" DC's, XO, and then 220 joints of 2 7/8" 6.5# L80 EUE tubing. Tag top of fill at 7025' by tubing tally. Rig up stripper head and pick up swivel. Break circulation, Start drilling on junk & made 5' in 5 hours down to 7030'. Work tubing up and down and was unable to get deeper. Recover small pieces of cuttings and metal shavings in the samples at the reverse pit. Circulate the hole clean. Rig down swivel & POOH w/70 joints. Secure well due to bad weather--High wind, lightning and SOME RAIN, SION. Prep to POOH w/the rest of the tubing in the morning.

7-13-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—0 psi, SICP—0 psi. Continue to POOH with 150 joints of 2 7/8" 6.5# L80 EUE tubing. XO, 6—3.5" DC's, and 4.5/8" Smooth OD Cone buster mill, Make up RIH with 4 5/8" shoe with smooth OD, XO, 6--3.5" DC's, XO, 220 joints of 2 7/8" 6.5# L80 EUE tubing. Tag top of fill at 7030' by tubing tally. Rig up stripper head and pick up swivel. Break circulation, Start drilling on junk & made 4' in 3 hours down to 7033'. Fell through at 7033' by tubing tally. Circulate hole clean. Recover pieces of metal shavings and rubber. Shut csg valve pressure test stage tool and 5.5" casing to 2500 psi. OK--Lay down swivel. Continue picking up tubing off of the pipe racks. Tagged up at 11934' w/11' in on joint #378 by tubing tally, pick up swivel. Pressure up when trying to break circulation, so it appears the shoe is full of debris. Drill 2' on float collar with no returns and cut a core. Lay down swivel, POOH with 60 joints of 2 7/8" 6.5# L80 EUE tubing. Secure well SDFN. Prep to finish POOH w/the rest of the tubing in the am.

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Daily Completion Report

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Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

7-14-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—0 psi, SICP—0 psi. Finish POH with 277 joints 2 7/8" 6.5# L80 EUE tubing, 6--3.5" DC's and shoe with wires in it. Wires were broken out and had no recovery. Send shoe back in for redress. Make up 4 5/8" blade bit, 6--3.5" DC's and 2 7/8" tubing. Go in the hole with tubing and stop above bottom. Install stripper head and pick up swivel. Secure well, SDFN. (NOTE: Derrick man developed hernia while pulling back 3.5" DC's and taken to Dr for examination.)

7-15-2011

Drive to location. Hold 5 min tailgate safety meeting. SITP—0 psi, SICP—0 psi. Finish going in the hole with 4 5/8" blade bit to 11920' by tubing tally. Pick up swivel and start drilling going reverse with blade bit. Make a total of 8' and stopped at 11928' with no KB correction, with bit plugging off. Pull out of the hole with tubing, drill collars and blade bit. The bottom 60 joints and 6--3.5" drill collars where plugged off and full of drilled cement cuttings. Tie onto the casing and reverse out the cement and debris out of the tubing and drill collars with 1800 psi. Finish pulling out of the hole with the remainder of the 2 7/8" tubing and drill collars. Break off blade bit. Secure well SDFN.

7-16-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in tubing and casing pressure--0. Make up 4 5/8" smooth OD shoe + wires and diamonds in it, extension, XO and GIH. Drop rabbit through the DC's and tubing to insure all were clean. Continue to GIH w/ shoe to 11900'. Install stripper head and pick up swivel. Wash from 11900' down to 11928'. Mill over fish and debris from 11928' to 11933' and started to pressure up. Pull out of hole with 200 joints of tubing. Secure well SDFN.

7-17-2011

Drive to location. Hold 5 min tailgate safety meeting. Shut in tubing and casing pressure was zero. Finish pulling out of the hole with tubing, drill collars and wash over shoe. Break out shoe and extension. Knock opening bomb for DV tool out of the shoe and debris from on top of it. Drive opening bomb out of shoe with 2" pipe. It appears that all junk and opening bomb have been recovered. Make up and go in hole with 4 5/8" mill tooth reverse bit, bit sub, 6--3.5" drill collars, xo and 114 joints 2 7/8" 6.5" L80 EUE tubing. Secure well SDFN.

7-18-2011

Drive to location. Hold 5 min tailgate safety meeting. Change out tubing line. Finish TIH with 4 3/4" Varel L2 bit, bit sub, 6--3.5" DC's, xo and tubing, tag at 11933'. Pick up swivel and install stripper head. Drill plug, float collar and cement below float collar to 11980'. Circulate hole clean, lay down swivel and remove stripper head. Pull out of the hole with 180 joints 2 7/8" tubing. Secure well SDFN. Prep to run scraper and pickle tubing and casing in the am and test casing patch.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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7-19-2011

Drive to location. Hold 5 min tailgate safety meeting. Finish POOH w/ 2 7/8" tbg & 4 3/4" Varel bit. Make up Varel 4 3/4" mill tooth bit, 5 1/2" 20# casing scraper, TIH to 5600'. Work casing scraper through patch numerous times, then TIH to DV tool and work scraper through DV tool numerous times. Continue in the hole to PBTD at 11970' by tubing tally. Rig up and circulate hole clean. Shut down and secure well. Prep to pickle tubing and casing in the am and test casing patch and DV tool to 8000 psi.

7-20-2011

Drive to location. Hold 5 min tailgate safety meeting. Move in and rig up Halliburton Energy Service acid pump truck and treating van to the 2 7/8" tubing, Hold pre-job safety meeting. Test lines to 4000 psi. Tie onto tubing and pickle tubing and casing from 11970' to the surface. Pump 500 gal Xylene followed by 1000 gallons 15% HCL followed by 2% KCL water. Pump down the tubing at 1 bbl/min rate and after the xylene and acid went out the end of the tubing, increased the rate to 3 bpm rate. Pump 2% KCL water until very clean returns were obtained. Pump a total of 300 bbls of KCL water. Shut down and then pull out of the hole with the tubing. Break out and lay down casing scraper and bit. Make up 2 7/8" X 5 1/2" Arrowset 1X 10K packer on 2 7/8" tubing and run in the hole to 5451'. Set packer and pressure on 5.5" casing to 2500 psi above the packer and pressure up below the packer to test the casing splice and the DV tool. Pressure test to 8000 psi on 5.5" casing for 15 minutes. Lost 100 psi in 15 minutes and then shut valve in the line going to the truck and it did not lose any more pressure in the next 15 minutes. Bleed off pressure, release packer. Secure well and SDFN.

7-21-2011

Drive to location. Hold 5 min tailgate safety meeting. No pressure on tubing or casing. Pull out of the well bore with 2 7/8" 6.5# L80 EUE tubing. Break off and lay down packer. SDFN.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1

2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

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9-7-2011

Drive to location. Move in Halliburton electric line and crane truck. Rig up full lubricator and grease injection system. Make up and go in the hole with 3 1/8" casing guns. Perforate Atoka stage #1: 11,778'-11,826' with 40 holes .42" EHD. Pull out of hole and inspect guns. All guns fired. Move in Halliburton frac equipment for 13 stage frac job. Perform QC on gel loadings, breakers and breaker times. Inventory total sand and water quantities, Hold pre job safety meeting with all personnel on location. Pressure test treating lines to 9000 psi with no leaks. Set pump over pressure kick outs to 8000 psi.

Stage #1 Atoka 11,778'-11,826' 40 holes .42" EHD 60 deg phasing

Break down perforations at 7170 psi. Establish injection rate and switch to acid. Pumped as follows

- 45,102 gallons treated water containing scale inhibitors and corrosion inhibitors from Endura chemical
- 6060 gallons 10% HCL acid
- 28,685 gallons Water Frac G-R(8)
- 28,372 gallons Water Frac G-R(8) carrying 20,221 lbs of 30/70 Ottawa sand
- 14,009 gallons Hybor G-R(16)
- 28,210 gallons Hybor G-R(16) carrying 68,931 lbs 30/50 Sintered Bauxite sand
- 10,297 gallons Hybor G-R(16) carrying 26,390 lbs 20/40 GGL G2 Coated sand
- 2000 gallons 10% HCL acid spot
- 9,072 gallons Treated water flush
- Average Rate-60.3 bpm
- Average pressure-5419 psi
- ISIP-3243 psi
- Total load to recover this stage **160,735 gallons 3827 bbls**

Total sand this stage 115,542 lbs. Sand pumped in concentrations from 1/2 ppg to 4.0 ppg Acid was spotted to bottom perfs for stage #2

Shut down over night to allow Halliburton adequate time to repair frac blender. Tub control valves malfunctioning.

Make up and go in the hole with Magnum 5.5" composite plug and 3 1/8" casing guns. Set CBP at 11,765' Test plug to 4500 psi. No leak off. Pull up and perforate Atoka stage 2 perfs at 11,656'-11,748' 40 holes at .42" EHD. Pull out of hole with guns. All guns fired. Secure well and shut down for night.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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9-8-2011

Drive to location. Hold pre job safety meeting. Pump stage 2 as follows

Stage 2 Atoka: 11,656'-11,748' 40 holes .42" EHD 60 deg phasing

- Break down perms-6260 psi
- 21,592 gallons treated water
- 5125 gallons 10% HCL acid
- 22,223 gallons Water Frac G-R(8)
- 27,859 gallons Water Frac G-R(8) carrying 19,038 lbs 30/70 Ottawa sand
- 15,245 gallons Hybor G-R(16)
- 29,038 gallons Hybor G-R(16) carrying 71,668 lbs 30/50 Sintered Bauxite sand
- 10,372 gallons Hybor G-R(16) carrying 34,870 lbs 20/40 GGL G2 coated sand
- 2000 gallons 10% HCL acid spot
- 8988 gallons treated water flush
- Average rate-60.7
- Average pressure-6680 psi
- ISIP – 5135 psi
- Total load to recover this stage-**142,526 gallons 3393 bbls**

Acid was spotted to bottom perms of stage 3. Sand pumped in concentrations from ½ ppg to 4.0 ppg. Make up CBP and 3 1/8" slick guns to perforate stage 3 Atoka perms. Set CBP at 11,624' Test CBP to 4500 psi. No leakoff. Pull up and shoot perforations from 11,466'-11,586'. Pull out of hole with guns. Inspect guns. All fired.

Stage 3 Atoka 11,466'-11,586' 42 holes .42" EHD 60 deg phasing

- Break down perms-6266 psi
- 21,852 gallons Treated water
- 6033 gallons 10% HCL acid
- 51,678 gallons Water Frac G-R(8)
- 36,856 gallons Water Frac G-R(8) carrying 22,553 lbs 30/70 Ottawa sand
- 18,489 gallons Hybor G-R(16)
- 35,340 gallons Hybor G-R(16) carrying 84,402 lbs 30/50 Sintered Bauxite sand
- 11,569 gallons Hybor G-R(16) carrying 26,188 lbs 20/40 GGL G2 coated sand
- 2000 gallons 10% HCL acid
- 11,289 treated water flush
- Average rate-53.9 bpm
- Average pressure-6331 psi
- ISIP-5429 psi
- Total load this stage-**195,106 gallons 4645 barrels**

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
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Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

9-8-2011

Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Acid spotted across stage 4 perforations. Start stage 3 after initial break down of perforations working rate up to 45 bpm. Made the decision to pump acid into perforations and over displace. Halliburton shut down for 2 hours to make necessary equipment repairs to continue. After re-starting maximum rate we could achieve was 54 bpm. Job was designed for 60 bpm. When switching over to the 20/40 GGL G2 coated sand the sand was continuously falling off of conveyor belt. Could not maintain a steady 4.0 ppg coated sand stage. Shut down overnight to let Halliburton make necessary equipment repairs and adjustments. Due to shut in pressures being too high, we will switch out the 5K lubricator for a 10K lubricator. Shut well in with 5300 psi. Secure well and shut down until morning.

9-9-2011

Drive to location. Hold safety meeting. SICP-4350 psi. Make up STS specialty rentals 10K lubricator with grease injection system. Go in the hole with CBP and 3 1/8" slick guns to perforate Atoka perforations at 11,466'-11,586' 42 holes on .42" EHD and 60 deg phasing. Set CBP at 11,460'. Test CBP to 4500 psi. No leak off. Pull up and shoot perforations from 11,284'-11,422'. Pull out of hole with 3 1/8" slick guns. Inspect for proper firing. All guns fired.

Stage 4 Atoka 11,284'-11,422' 42 holes .42" EHD 60 Deg Phasing

- Breakdown Perforations 4209 psi
- 4019 gallons 10% HCL acid spearhead
- 26,974 gallons Water Frac G-R(8)
- 29,893 gallons Water Frac G-R (8) carrying 23,131 lbs 30/70 Ottawa sand
- 18,518 gallons Hybor G-R(16)
- 35,899 gallons Hybor G-R(16) carrying 84,798 lbs 30/50 Sintered Bauxite sand
- 10,339 gallons Hybor G-R(16) carrying 34,813 lbs 20/40 GGL G2 coated sand
- 2000 gallons 10% HCL acid spot
- 8931 gallons Treated water flush
- Average Rate-60.1 bpm
- Average pressure-5810 psi
- ISIP-4325 psi
- Total load to recover this stage-**153,105 gallons-3645 bbls**

Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Acid was spotted across stage 5 perforations. Make up 3 1/8" slick and CBP to perforate Stage 5 Strawn perforations. Go in the hole with 3 1/8" slick guns and CBP. Set CBP at 11,254'. Test CBP to 4500 psi. No leak off. Pull up and shoot Stage 5 perforations at 11,077'-11,236'. Pull out of hole with slick guns. Inspect for proper firing. All guns fired.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

9-9-2011

Stage 5 Strawn 11,077'-11,236' 54 holes .42" EHD 60 Deg Phasing

- 949 gallons Treated water Breakdown perforations-2956 psi
- 9991 gallons 10% HCL acid spearhead
- 27,044 gallons Water Frac G-R(8)
- 29,244 gallons Water Frac G-R(8) carrying 20,456 lbs 30/70 Ottawa sand
- 20,227 gallons Hybor G-R(16)
- 35,612 gallons Hybor G-R(16) carrying 82,885 lbs 30/50 Sintered Bauxite sand
- 5856 gallons Hybor G-R(16) carrying 3,480 lbs 20/40 GGI G2 coated sand
- 2000 gallons 10% HCL acid spot
- 8834 gallons Treated water flush
- Average Rate-63.2 bpm
- Average pressure-5152 psi
- ISIP-3362 psi
- Total load to recover this stage **147,159 gallons-3503 bbls**

Sand was pumped in concentrations from 1/2 ppg to 4.0 ppg. Acid was spotted across stage 6 Canyon & Lower wolfcamp perforations. Go in hole with 3 1/8" slick guns and CBP. Set CBP at 11,030'. Test CBP to 4500 psi. No leak off. Pull up and shoot Stage 6 perforations from 10,850'-10,980'. Pull out of hole with 3 1/8" slick guns. Inspect guns for proper firing. All fired.

Stage 6 Canyon & Lower wolfcamp 10,850'-10,980' 56 holes .42" EHD 60 Deg Phasing

- 1517 gallons Treated water break down
- 3396 gallons 10% HCL acid spearhead
- 51,553 gallons Hybor G-R(16)
- 22,371 gallons Hybor G-R(16) carrying 15,133 lbs 30/70 Ottawa sand
- 51,907 gallons Hybor G-R(16) carrying 84,409 lbs 30/50 Sintered Bauxite sand
- 9884 gallons Hybor G-R(16) carrying 20,992 lbs 20/40 GGL G2 sand
- 2000 gallons 10% HCL acid spot
- 8457 gallons Treated water flush
- Average Rate-64.9 bpm
- Average pressure-3452 psi
- ISIP-3613 psi
- Total load to recover this stage **157,560 gallons-3751 barrels**

MYCO Industries, Inc.
Daily Completion Report

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2310' FNL & 2310' FEL

Section 40, Block 5, University Lands Survey

Robinson Drilling Company

Landman: Hannah Palomin

Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42477

Proposed Total Depth: 13,000'

Formation: Sprayberry (Trend)

Rig # 15: KB Elevation: 16'

Engineer: Nelson Muncy

Elevations: 3018' GR, 3034' KB

9-9-2011

Sand was pumped in concentrations from ½ ppg to 3.0 ppg. Acid was spotted across stage 7 Lower wolf camp perforations. Go in the hole with 3 1/8" slick guns and CBP. Set CBP at 10,800'. Test to 4500 psi. No leak off. Pull up and shoot Lower wolf camp perforations at 10,566'-10,747'. Pull out of hole with 3 1/8" slick guns. Inspect guns for proper firing. All guns fired.

Stage 7 Lower Wolfcamp 10,566'-10,747' 55 holes .42" EHD 60 Deg Phasing

- 563 gallons Treated water Breakdown perfs
- 3999 gallons 10% HCL acid spearhead
- 59,584 gallons Hybor G-R(16)
- 29,863 gallons Hybor G-R(16) carrying 19,695 lbs 30/70 Ottawa sand
- 49,238 gallons Hybor G-R(16) carrying 88,901 lbs 30/50 Sintered Bauxite sand
- 10,969 gallons Hybor G-R(16) carrying 26,280 lbs 20/40 SLC sand
- 2000 gallons 10% HCL acid spot
- 8002 gallons Treated water flush
- Average rate-61.8 bpm
- Average pressure-5093 psi
- ISIP-3252 psi
- Total load to recover this stage-174,276 gallons-4149 barrels

Sand was pumped in concentrations from ½ ppg to 3.0 ppg. Acid was spotted across Stage 8 Wolfcamp shale perforations. Go in the hole with 3 1/8" slick guns and CBP. Tag and lost weight with wire line at 8526' & could not work past 8526'. Pull back up to 7500' with guns and CBP. Pumped an additional 40 barrels of Treated water at 2.5 BPM down 5.5" casing. Go back in hole with wireline and tagged again at 8526'. Pull out of hole to lay down slick guns and CBP. Go back in the hole with just the 3 1/8" slick guns, still tagging at 8526'. Pull out of hole with slick guns and pick up junk basket. Go back in the hole with junk basket and tag at 8526'. Pull up and sit down numerous times with no success. Pull up to 7000' and pump an additional 50 barrels of Treated water 6 bpm at 3100 psi. Shut down and go back down with junk basket and tag again at 8526'. Pull out of hole with wireline and junk basket. Go in hole with 3 1/8" wt bars and CCL. Tag at 8526'. POH, rig down Halliburton wireline and frac crew. It appears that we have some obstruction or casing problem at 8526'.

18,855 BLWTR

Rig up to flow back manifold and commence flowback operations.

9-10-2011

Flow back 1280 bbls load water on 24/64" choke in the past 24 hrs. Flowing with 250 psi FCP.

17,575 BLWTR

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API Number: 42-003-42477
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9-11-2011

Flow back 488 bbls load water in the past 24 hrs with 50 psi FCP on 32/64" choke.

17,087 BLWTR

9-12-2011

Flow back 210 bbls load water in the past 24 hrs with no pressure on open 48/64" choke.

16,877 BLWTR

9-13-2011

Flow back 43 bbls load water and tank has total of 5 bbls oil in it. Steady trickle running into flow back tank with no pressure on open choke. **16,834 BLWTR**

Move in and set Myco rig mat and pipe racks. Transfer 380 joints 2 7/8" L80 EUE tubing back onto pipe racks using Lomac forklift and truck. MIRU Standard Well Service Rig #53, MIRU Freedom Services reverse unit. Nipple down Cameron and Myco 5 1/8" 10K frac valves, frac mandrel and flow cross. Lay it down and prepare to move it to the Univ 5-40 #2 to complete the remaining 9 stages of frac stimulation. Remove thread protectors and tally tubing. Rig up work floor. Pick up and go in hole with Arrowset 1X packer and pick up 50 joints 2 7/8" 6.5# L80 EUE tbgs as kill string. Pump produced water down tubing to keep it killed out while going in the hole picking up the tubing off the racks. Drift each joint with 2.40" drift while picking tubing up off the racks. Secure well. SION

9-14-2011

SITP-200psi SICP-150psi, Pump 25 bbls 10# brine down tubing to kill well using Freedom Services reverse unit, pick up tubing off rack running 2.40" run drift thru each joint, MIRU Cudd Energy Services pump truck. Run 179 jts total tubing and set packer at 5718'. Hold safety meeting, test lines to 5000 psi & pump down casing. Test casing patch (5534') to 4500psi. Run test chart for 10 min with no bleed off, bleed down well. Run in the hole with 45 more joints with a total of 224 joints of 2 7/8" 6.5# L80 EUE tubing. Set packer at 7150' and pump down 5.5" casing. Test DV tool to 4800psi holding a 10 min chart with no bleed off. Bleed down casing and release Cudd Energy Services pump truck. Wait on 10# brine, tie Freedom Services reverse unit to Amigo oilfield services transport & pump 20 bbls 10# brine down tubing at 4.5 bpm @ 1500 psi to obtain rate test and kill well. Put remainder of brine in reverse unit pit. Release Amigo Oilfield Services transport, unset packer and pull out of the hole. Tubing tongs broke, called Standard Well Service. They advised that they can't deliver them today. There are currently 64 stands in derrick + 96 joints in hole. Resume pulling tubing in the morning after replacing the hydraulic tongs. Plan for tomorrow is to pick up 4 3/4" skirted bit, 6-3.5" DC's and run in hole with approximately 261 joints 2 7/8 6.5# L-80 tubing to top of sand bridge. Pulling unit crew will bring 3 1/2 tong heads for drill collars.

MYCO Industries, Inc.
Daily Completion Report

University 5-40 #1
2310' FNL & 2310' FEL
Section 40, Block 5, University Lands Survey
Robinson Drilling Company
Landman: Hannah Palomin
Andrews County, Texas
Standard Well Service Rig #53

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB
PBTD--11970'

9-15-2011

Arrive on location, check pressures, SITP-500 SICP 500, Bleed well down to flow back tank. Pull out of the hole with 96 joints of tubing and packer. Lay down 5 ½ Arrowset 1X Packer. Pick up new 4 ¾ skirted reverse bit with six 3 ½ drill collars supplied by Freedom Services & one joint of 2 7/8 L-80 tubing. Pump 5 bbls of 10# brine water to cap gas. Continue running in with 40 joints tubing. Rig up TIW valve & pump 15 bbls 10# brine to kill well. Continue in with total of 262 joints of 2 7/8 L-80 tubing. Tag tight spot at 8526' + BHA = 8648' with joint 262 all the way in. Lay down joint 262 to rig up Freedom Services swivel. Work through tight spot until we saw no drag. Picked up two more joints with the swivel and felt no drag. Rigged down swivel and resumed picking up 2 7/8 L-80 tubing. Run in the hole with 323 joints tubing to 10490' with no issues. Circulate well with 220 bbls treated fresh water from frac tanks. Switch to brine water and pumped 25 bbls to ensure the tubing was dead. Start out of hole with tubing, drill collars and bit standing back tubing. Lay down drill collars and bit. Secure well and SDFN. Allied Wire line scheduled to be on location at 6 am to run in 5 ½ Magnum composite bridge plug and test casing to surface.

9-16-2011

Arrive on location, check pressures, SICP 250. Bleed well down to earth pit. Flow back has a good cut of oil and gas. Move in rig up Allied Wire Line truck. Rig up Allied companion flange to BOP. Pick up CCL and 5 ½ Magnum composite bridge plug supplied by Tarrant County Packers. Run in and correlate to DV tool. Run plug to 10,470' and set plug. Pull out of hole with setting equipment and lay down CCL and setting sleeve. Rig down and move out Allied Wire Line. Wait on Cudd to finish pickling tubing on another well. Move in rig up Cudd pumping services to csg valve. Rig up Amigo transport for water. Hold safety meeting to discuss job. Test lines to 6000psi. Bleed lines off and open well. Start pumping a 3.3 bpm at 932 psi. Pumped 26 bbls of treated water with no pressure increase. Shut down for approximately 5 minutes to let gas come to surface. Bleed well down. Resume pumping treated water at 3.3 bpm at 933 psi. Shut down with 530 psi on well. Rig Cudd pumping services and Amigo transport down and move out. SWI. Prepare to drill out CBP's. SWION

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Andrews County, Texas
Standard Well Service Rig #53

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 13,000'
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Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB
PBTD--11970'

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9-17-2011

Arrive on location. Have safety meeting. Check pressure on well, No pressure. Open BOP, PU 4 3/4" Plug Muncher Mill with pump off sub supplied by Freedom Fishing. Start in hole with 2 joints of the 2 7/8" L-80 tubing. Tag at 62' and try to work through tight spot. POOH with mill and caliper again. Mill calipers at 4.75", Drift of 5 1/2" 20# csg is 4.63". Attempt to grind mill down to 4 5/8" OD with no success. PU 4 3/4" skirted rock bit and run in with 3 joints with no issues. SD wait on new 4 5/8" plug muncher mill calipered at 4.625. PU new 4 5/8" plug muncher mill and pump off sub. RIH with 323 joints out of derrick filling up tbg every 30 stands. PU 4 joints off of pipe racks drifting with 2.44 drift. RD tongs RU swivel and stripper head. Break circulation and start drilling on CBP. Drill out plug. Well had less than 500psi below 1st CBP. Pick up 10 joints running 2.44 drift through each jt, tag second plug with 340 jts. Resume drilling while circulating. Drilled up element and took a good kick. Well has 2000 psi on tbg and 3000psi on csg. Pushed plug down hole. Call Amigo Oilfield Services to set up flow back crew. Pull up hole to above perforations with 20 joints tubing and circulated treated fresh water. Secured well and turned it over to Amigo flow back crew for the night and will resume drilling CBP's in the am.

9-18-2011

Flow back 980 bbls in the past 12 hrs with 525 psi on a 24/64 choke and flow back during the day to 150 psi on 44/64 choke. Make a total of 1130 bbls in the past 24 hours.

15,577 BLWTR

9-19-2011

Drive to Location and hold tail gate safety meeting. Rig up Freedom Services reverse unit pump to tubing valve. Pump treated fresh water via 2 7/8 6.5# L-80 tubing and load tubing with 1.5 bbl, then pressure up tubing to shear pump off sub at bit with 3500 psi. Shear pins would not shear. Bleed off pressure, then pressure up to 4000 psi and had no pressure decline. Bleed down tubing pressure to 0 and call for high pressure pump truck. MIRU Rising Star high pressure pump truck, have safety meeting with Rising Star and rig crew, test lines to 6000 psi. Lines tested OK, bleed off & open Rising Star tubing valve and customer valve, then pressure up tubing to 5000 psi. Hold pressure for 5 min then bleed off and attempted to shear the pump off sub numerous times with no positive results. Bleed off tubing, close customer valve, rig down Rising Star pump truck. Continue to flow back frac load up the 5.5 casing. Turn flow back over to Amigo flow back crew. Plan to perforate tubing above bit in the morning using Allied electric line truck. Flow back total of 520 bbls load water in the past 24 hrs.

15,057 BLWTR

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Andrews County, Texas
Standard Well Service Rig #53

Geol: Jim Schlueter

API Number: 42-003-42477
Proposed Total Depth: 12,000'
Formation: Sprayberry (Trend)
Rig # 15: KB Elevation: 16'
Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB
PBSD--11970

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9-20-2011

Drive to location, hold tail gate safety meeting. Flow back 129 bbls load water in the past 12 hrs on open 48/64" choke with 2% oil cut. MIRU Allied Electric line truck, load tubing punch gun, pick up and run in via 2 7/8 6.5# L-80 tubing. Tag on pump off sub at 10,491' and pick up to 10,481' and perforate tubing with 4 shots, 0.50" EHD & pull out of hole. RDMO Allied electric line to University 5-40 #3. Rig up flow line on tubing valve and commence flowing up the tubing. Turn well over to Amigo flow back crew. Rig down Standard Well Service Rig # 3 and move to the University 8-5 #1.

14,828 BLWTR

9-21-2011

Flow back 903 bbls load water in the past 24 hrs. 1% Oil cut.

13,925 BLWTR

9-22-2011

Flow back 335 bbls load water in the past 24 hrs. 700 psi FCP, 2% Oil Cut

13,590 BLWTR

9-23-2011

Flow back 136 bbls load water in the past 24 hrs w/ 0 psi on open choke, 1000 psi on csg 2% Oil cut.

13,454 BLWTR

9-24-2011

Flow back 256 bbls load water in the past 24 hrs w/ 0 psi on open choke, 1150 psi on csg 2% oil cut.

13,198 BLWTR

9-25-2011

Flow back 315 bbls load water in the past 24 hrs w/ 0 psi on open choke, 1150 psi on csg, 2% oil cut.

12,883 BLWTR

9-26-2011

Flow back 224 bbls load water in the past 24 hrs w/ 0 psi on open choke. 1175 psi on csg, 2% oil cut.

12,659 BLWTR

9-27-2011

Flow back 452 bbls load water in the past 24 hrs w/ 20 psi on open choke, 1500 csg psi, 2% oil cut

12,207 BLWTR

MYCO Industries, Inc.
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Andrews County, Texas

Geol: Jim Schlueter

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Engineer: Nelson Muncy
Elevations: 3018' GR, 3034' KB

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9-28-2011

Flowed 3 bbls oil, 162 bbls load water. 2% oil cut on wellhead sample. **12,045 BLWTR.**

9-29-2011

Flowed 8 bbls oil, 152 bbls load water. 1450 csg psi. 5% oil cut on wellhead sample. **11,893 BLWTR.**

9-30-2011

Flowed 10 bbls oil, 161 bbls load water. 1450 csg psi. 5% oil cut on wellhead sample. **11,732 BLWTR.**

10-1-2011

Flowed 15 bbls oil, 167 bbls load water. 1500 csg psi. 8% oil cut on wellhead sample. **11,565 BLWTR.**

10-2-2011

Flowed 7 bbls oil, 123 bbls load water. 1300 csg psi. **11,442 BLWTR.**

10-3-2011

14 bbls oil, 145 bbls load water. 1300 csg psi. **11,297 BLWTR.**

10-4-2011

15 bbls oil, 133 bbls load water. 1350 csg psi. **11,164 BLWTR.**

10-5-2011

16 bbls oil, 141 bbls load water. 1350 csg psi. **11,023 BLWTR.**

10-6-2011

15 bbls oil, 138 bbls load water. 1350 csg psi. **10,885 BLWTR.**

10-7-2011

11 bbls oil, 152 bbls load water. 1400 csg psi. **10,733 BLWTR.**

10-8-2011

8 bbls oil, 102 bbls load water. Opened choke from 10 to 14. 1500 csg psi. **10,631 BLWTR.**

10-9-2011

10 bbls oil, 144 bbls load water. 1650 csg psi, 130 tbg psi. **10,487 BLWTR.**

10-10-2011

11 bbls oil, 112 bbls load water. 1650 csg psi, 90 tbg psi. **10,375 BLWTR.**

10-11-2011

21 bbls oil, 234 bbls load water. 1550 csg psi, 30 tbg psi. **10,141 BLWTR.**

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10-12-2011

38 bbls oil, 245 bbls load water. 1550 csg psi, 30 tbg psi. **9,896 BLWTR.**

10-13-2011

25 bbls oil, 70 bbls load water. 1550 csg psi, 30 tbg psi. **9,826 BLWTR.**

10-14-2011

17 bbls oil, 78 bbls load water. 1550 csg psi, 30 tbg psi. **9,748 BLWTR.**

10-15-2011

6 bbls oil, 45 bbls load water. 1500 csg psi **9,703 BLWTR.**

10-16-2011

13 bbls oil, 48 bbls load water. 1500 csg psi **9,655 BLWTR.**

10-17-2011

6 bbls oil, 55 bbls load water. 1500 csg psi **9,600 BLWTR.**

10-18-2011

6 bbls oil, 66 bbls load water. 1500 csg psi, 30 tbg psi **9,534 BLWTR.**

10-19-2011

175 bbls oil, 254 bbls load water. 400 csg psi, 1500 tbg psi **9,280 BLWTR.**

10-20-2011

24 bbls oil, 95 bbls load water. 1000 csg psi, 200 tbg psi **9,185 BLWTR.**

10-21-2011

35 bbls oil, 88 bbls load water. 1000 csg psi, 200 tbg psi **9,097 BLWTR.**

10-22-2011

24 bbls oil, 110 bbls load water. 1200 csg psi, 180 tbg psi **8,987 BLWTR.**

10-23-2011

56 bbls oil, 268 bbls load water. 900 csg psi, 200 tbg psi **8,719 BLWTR.**

10-24-2011

71 bbls oil, 175 bbls load water. 840 csg psi, 170 tbg psi **8,544 BLWTR.**

10-25-2011

46 bbls oil, 145 bbls load water. 800 csg psi, 150 tbg psi **8,399 BLWTR.**

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10-26-2011

43 bbls oil, 135 bbls load water. 900 csg psi, 65 tbg psi **8,264 BLWTR.**

10-27-2011

52 bbls oil, 159 bbls load water. 700 csg psi, 150 tbg psi **8,105 BLWTR.**

10-28-2011

50 bbls oil, 133 bbls load water. 800 csg psi, 160 tbg psi **7,972 BLWTR.**

10-29-2011

33 bbls oil, 115 bbls load water. 900 csg psi, 100 tbg psi **7,857 BLWTR.**

10-30-2011

21 bbls oil, 75 bbls load water. 950 csg psi, 50 tbg psi **7,782 BLWTR.**

10-31-2011

On a 24 hour potential test well produced 105 bbls oil, 138 bbls load water. 450 csg psi, 175 tbg psi **7,644 BLWTR.** W-2 filed with TRRC. **FINAL REPORT.**