

**MYCO Industries, Inc.**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

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**6-18-2011**

Location and road completed by Sweatt Construction Company.

**6-18-2011 thru 6-25-2011**

Sweatt Construction built reserve pits for Saxon Rig #109. Install and set 6' X 6' X 6' cellar.

**6-25-2011 thru 8-09-2011**

Install pit liner by Dudley Sales and Service. Lay 4" water line from Block 8 fresh water pit to location and start filling outside reserve pit. Put brine water on inside reserve. Move in and rig up Butch's Rat Hole Service and set 40' of 20" conductor pipe. Cement conductor pipe back to the surface with ready mix. Drill 12' of mouse hole. Wait for Saxon Rig 109.

**8-10-2011**

Start moving in pipe racks, drill collars and drill pipe from University 8-5 #3. Move in and start setting in Saxon Rig #109.

**8-11-2011**

Move in and rig up Saxon Rig #109. Set in rig matting boards and set substructure and BOP stack. Move in derrick and pin derrick. Move in and set outline, pits, pumps, generator sets. Trucks released at 1200 hrs, 8-10-2011. Rig up generators, spool drilling line, raise derrick and scope derrick up. Hook up electrical lines to substructure and derrick. Perform pre spud inspection and Load DC's and BHA on racks, tally same. Test both pumps and mud lines. Hook up flow line and conductor pipe. Contact Texas Railroad Commission at 2300 hrs on 8/10/2011 and notified Cindy, Operator #4 of intent to spud 17.5" hole and running 13 3/8" surface casing. Job #9170.

**NOTE: RECEIVED:**

The following casing was delivered to location from Myco Inventory: Lomac Trucking and forklift.

10Jts, 13 3/8" 48# H-40 ST&C from Myco Andrews Block 8 Yard.

(413.18' T/Off, 420.32' T/On)

Casing on racks was cleaned, strapped, drifted and VTI by Charlie's Pipe Inspection.

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API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-12-2011**

**Day #1**

Current Operation: Run 13 3/8" surface casing and working tight spot at 154'  
Depth: 308'  
Previous Depth: 60'  
Progress: 308' in 11.5 Hrs.  
ROP: 26.78'/hr  
Lithology: Red Bed  
Cum rot hrs: 11.5 Hrs.

\*\*\*\*\*  
Bit #1: 17.5", Smith ReTip, Ser #: STPR4335, 4-14's, In @ 60', Out @ 308'  
Make 308' in 11.5 Hrs, ROP--26.78'/hr, WOB--All, RPM--120

Mud: Wt.--8.7, Vis--32, PH--9.0, Chlorides--1800

Pumps: #1: 6.5" x 9" x 80 SPM, BMF-1000, GPM--252, PP-1120  
#2: 6.5" x 9" x 100 SPM, BMF-1000, GPM--315, Total GPM--567

BHA #1: Bit, Bit Sub, 8" DC, IBS, 8" DC, IBS, XO, Tele-drift, 8--6.5" DC's  
Length: 368' BHA #1 Hrs: 11.5 Total DC Hrs Since Insp--11.5

String WT: Rot. Off Bottom: 35K, PU--35K, Slack Off--35K

Deviation: 0 Deg @ 300'

**OPERATIONS:**

**HOURS**

0600--0830	Make up stand pipe, change out saver sub on top drive.	02.50
0830--0930	Pick 8.5" drill collars, make up bit, and fill pipe.	01.00
0930--1000	Rig service.	00.50
1000--1200	Mix spud mud.	02.00
1200--2330	Drill 17.5" hole F/60'--368' with full returns. Spud at 1200hrs CDT 8/11/2011	11.50
2330--0015	Circulate and condition hole, taking tele-drift survey.	00.75
0015--0230	TOH to run 13 3/8" surface casing. Lay down stabilizer, bit sub and bit.	02.25
0230--0600	Rig up Bull Rogers Csg Crew. Run 13 3/8" 48# H40 STC. Tight hole @ 154'	03.50

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**Total Hrs.**

**24.00**

**COMMENTS:**

Call and notify TRRC @ 2300 Hrs 08-10-2011 (Cindy Operator #4) of spud, running casing and cement details Job# 9170. Spud well @ 1200 hrs, CDT, 08-12-2011. TD Surface hole @ 368' at 2330hrs CDT, 8/11/2011. POOH to run the 13 3/8", 48#, H-40 casing. Work tight hole at 154'. Wash down every joint of 13 3/8" casing. No accidents and no spills. Casing on racks cleaned, strapped, drifted and VTI by Charlie's Pipe Inspection.

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Geol: Jim Schlueter

API Number: 42-003-42994  
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Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-13-2011**

**Day #2**

Current Operation: Nipple up and Test BOP'S  
Depth: 368'  
Previous Depth: 368'  
Progress: 000' in 0.0 Hrs.  
ROP: 00.00'/hr  
Lithology: Red Bed  
Cum rot hrs: 11.5 Hrs.

\*\*\*\*\*  
Bit #1: 17.5", Smith ReTip, Serial #: STPR4335, 4-14's, In @ 60', Out @ 308'  
Make 308' in 11.5 Hrs, ROP--26.78'/hr, WOB--All, RPM--120

Mud: Wt.--8.7, Vis--32, PH--9.0, Chlorides--1800

Pumps: #1: 6.5" x 9" x 80 SPM, BMF-1000, GPM--252, PP-1120  
#2: 6.5" x 9" x 100 SPM, BMF-1000, GPM--315, Total GPM--567

BHA #1: Bit, Bit Sub, 8" DC, IBS, 8" DC, IBS, XO, Tele-drift, 8--6.5" DC's  
Length: 368' BHA #1 Hrs: 11.5 Total DC Hrs Since Insp--11.5

String WT: Rot. Off Bottom: 35K, PU--35K, Slack Off--35K  
Deviation: 0 Deg @ 300'

**OPERATIONS:** **HOURS**

0600--1000	Run 9 jts, 372.17' total, 13 3/8" 48# H40 STC. Washing and working casing to Bottom. F/152'--368'	04.00
1000--1100	Circulate 3 sweeps while rigging up Halliburton cementers.	01.00
1100--1215	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 @ 1214 hrs, CDT, 08/12/2011. Circulate 146 sx to the surface.	01.25
1215--1630	WOC, Clean cellar and flow line. Jet, clean pits.	04.25
1630--1800	WOC, Cut conductor, 13 3/8' casing, and prep casing.	01.50
1800--2030	WOC, Weld on 13 3/8" 3M, SOW head test to 500 psi.--(ok)	02.50
2030--0600	WOC, NU BOP'S, Choke lines, Kill Lines, Choke manifold and Flow Line. Modify flow line. Function test BOP'S	09.50

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**Total Hours**

**24.00**

**Comments:**

Run 9 jts, 372.17', 13 3/8", 48#, H40 STC. Wash down every joint of casing f/152--368'. 13 3/8" casing shoe at 368', Insert PDC drillable baffle plate at 284.09'. Cement casing with 390 sx Class "C" + 2% CaCl2. Circulate 146 sx to the surface. Note did not bump plug. Shut head in for 4 hrs and cut off casing, weld on 13 3/8" 3M SOW head, NU BOPs. No accidents and no spills.

**MYCO Industries, Inc.**  
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**13 3/8" SURFACE CASING & CEMENTING DETAILS:**  
**UNIVERSITY 8-4 #9**

Spud well @ 1200 hrs 08/11/2011 with 17 1/2" Smith Tri-cone bit. Notify TRRC--Cindy @ 2300 hrs 08/10/2011 of spud, casing and cement job, Job # 9170. No witness. TD surface hole at a depth of 368' @ 2330 hrs, 08/11/2011.

**Run casing as follows:**

Davis Lynch 13 3/8" Weld on TX Pattern shoe.	1.10'
2 jts, 13 3/8", 48#, H-40, ST&C Csg	82.81'
Davis Lynch 13 3/8" PDC drillable Baffle plate.	00.00'
7 jts, 13 3/8", 48#, H-40, ST&C Csg	288.26'
	=====
<b><u>9 joints Total 13 3/8" Casing Run:</u></b>	<b>372.17'</b>

13 3/8" Texas Pattern weld on Shoe Set @	368.00'
13 3/8" Baffle plate set @	284.09'

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% CaCL<sub>2</sub>. 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% CaCl<sub>2</sub>**

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

**Displace w/ 48 bbls fresh water. Circulated 146 sks , 35 bbls cement to pit.**

**Close in with 115 psi @ 1215 hrs 08/12/2011, 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 joints, 13 3/8" 48# H-40 ST&C from MYCO Andrews block 8 pipe yard.  
(420.32' T/on) (413.18' 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 (25.80')**

**1 new joint 13 3/8" 48# H-40 STC casing, (41.63' T/on) (40.93' T/off)**

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Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-14-2011**

**Day #3**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 1158'  
Previous Depth: 368'  
Progress: 790' in 17.5Hrs.  
ROP: 45.14'/hr  
Lithology: Red Bed  
Cum rot hrs: 29Hrs.

\*\*\*\*\*  
Bit #2: 11", Smith, M716VSPX, Ser #: JD4474, 7-16's, In @ 368'  
Make 790' in 17.5 hrs, ROP--45.14'/hr, WOB--10K, RPM--60

Mud: Wt.--10.0, Vis--29, PH--100, Chlorides--178000, Ca--6800

Pumps: #1: TMF 1000, 6.5" x 9" x 040 SPM, GPM--147, Pump Pressure--700psi  
#2: TMF 1000, 6.5" x 9" x 090 SPM, GPM--332, GPM Total--479

BHA #2: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 15--HWDP  
Length: 1158.47 BHA #2 Hrs: 17.50 Total DC Hrs Since Insp--29

String WT: Rot. Off Bottom: 65K, PU--65K, Slack Off--61K  
Deviation: 0.5 Deg @ 731'.

**OPERATIONS:**

**HOURS**

0600--0630	Function test remote Dog house panel (ok) Test all manifold valves, HCR, Annular and blind rams to 1000psi (ok), Pipe rams and casing to 650 psi.	00.50
0630--0745	Slip and cut 63' drilling line. Install mouse hole.	01.25
0745--1215	Pick up new BHA and GIH tag cement at 320'.	04.50
1215--1330	Drill cement from 320'--368' Start drilling new formation at 1330 hrs CDT 8/13/11	01.25
1330--1430	Drill 11" hole with PDC bit from 368'--425' with full returns.	01.00
1430--1500	Rig service and BOP drill.	00.50
1500--2215	Drill 11" hole w/ PDC bit from 425'--817' with full returns.	07.25
2215--2230	Survey @ 731'--0.5 Deg	00.25
2230--0045	Drill 11" hole w/ PDC bit from 817'--1001' with full returns.	02.25
0045--0115	Rig Service, grease rig and top drive	00.50
0115--0600	Drill 11" hole w/ PDC bit from 1001'--1158' with full returns.	04.75

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**Total Hrs:**

**24.00**

**COMMENTS:**

Function test dog house remote (ok) and test BOP to 1000 psi and casing to 650psi (ok). Slip and cut 63' drilling line. Pick up new BHA and GIH with bit #2. Drill cement F/320'-368'. Drill 11" hole w/ PDC bit from 368'--1158' w/ full returns. Drill ahead with full returns and taking deviation surveys. No accidents and no spills.

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**08-15-2011**

**Day #4**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 1906'  
Previous Depth: 1158'  
Progress: 748' in 21.75Hrs.  
ROP: 34.39'/hr  
Lithology: Red Bed  
Cum rot hrs: 50.75Hrs.

\*\*\*\*\*

Bit #2: 11", Smith, M716VSPX, Ser #: JD4474, 7-16's, In @ 368'  
Make 1538' in 39.25 hrs, ROP--39.18'/hr, WOB--10K, RPM--65  
Mud: Wt.--10.0, Vis--29, PH--100, Chlorides--178000, Ca--6800

Pumps: #1: TMF 1000, 6.5" x 9" x 085 SPM, GPM--313, Pump Pressure--1400psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--681

BHA #2: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1315.77 BHA #2 Hrs: 39.25 Total DC Hrs Since Insp--50.75

String WT: Rot. Off Bottom: 72K, PU--75K, Slack Off--70K

Deviation: 0.5 Deg @ 1227', 0.5 Deg @ 1723'

**OPERATIONS:**

**HOURS**

0600--0900	Drill 11" hole with PDC bit from 1158'--1312' with full returns.
0900--0945	Change out saver sub on top drive and slip inserts.
0945--1000	Deviation Survey @ 731'--0.5 Deg
1000--1600	Drill 11" hole with PDC bit from 1312'--1564' with full returns.
1600--1630	Rig service and BOP drill.
1630--2330	Drill 11" hole with PDC bit from 1564'--1748' with full returns.
2330--0000	Rig service and BOP drill.
0000--0145	Drill 11" hole with PDC bit from 1748'--1810' with full returns.
0145--0200	Survey @ 1723'--0.5 Deg
0200--0600	Drill 11" hole with PDC bit from 1810'--1906' with full returns.

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**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 1158'--1906' w/ full returns. Low ROP due to excessive rotary torque, stalling out top drive. Drill ahead with full returns and taking deviation surveys. No accidents and no spills.

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Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-16-2011**

**Day #5**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 2597'  
Previous Depth: 1906'  
Progress: 691' in 17.75Hrs.  
ROP: 38.92'/hr  
Lithology: Red Bed  
Cum rot hrs: 68.5Hrs.

\*\*\*\*\*  
Bit #2: 11", Smith, M716VSPX, Ser #: JD4474, 7-16's, In @ 368'  
Make 2229' in 57 hrs, ROP--39.10'/hr, WOB--15K, RPM--70  
Mud: Wt.--10.0, Vis--29, PH--100, Chlorides--178000, Ca--6800

Pumps: #1: TMF 1000, 6.5" x 9" x 080 SPM, GPM--295, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--663

BHA #2: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1315.77 BHA #2 Hrs: 57 Total DC Hrs Since Insp--68.5

String WT: Rot. Off Bottom: 81K, PU--85K, Slack Off--78K

Deviation: 0.5 Deg @ 2224'.

**OPERATIONS:**

**HOURS**

0600--1400	Drill 11" hole with PDC bit from 1906'--2169' with full returns.	08.00
1400--1930	Work tight hole/packed off. Lay one joint down. Stuck at 2136' Continue to work pipe. Regained circulation and worked pipe free Pumped three sweeps/while working pipe	05.50
1930--2315	Drill 11" hole with PDC bit from 2169'--2311' with full returns.	03.75
2315--2330	Survey @ 2224'--0.5 Deg	00.25
2330--0000	Rig service and BOP drill.	00.50
0000--0600	Drill 11" hole with PDC bit from 2311'--2597' with full returns.	06.00

**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 1906'--2597' w/ full return. Work tight hole/packed off and stuck @ 2136'. Regained circulation and worked pipe free. Pump three sweeps while working pipe. Drill ahead with full returns and taking deviation surveys. No accidents and no spills.

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**Rig #109: KB Elevation: 19'**  
**Engineer: Nelson Muncy**  
**Elevations: 3021' GR, 3040' KB**

**08-17-2011**

**Day #6**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 3349'  
Previous Depth: 2597'  
Progress: 752' in 21.50 Hrs.  
ROP: 34.97'/hr  
Lithology: Anhydrite  
Cum rot hrs: 90Hrs.

\*\*\*\*\*  
Bit #2: 11", Smith, M716VSPX, Ser #: JD4474, 7-16's, In @ 368'  
Make 2981' in 78.5 hrs, ROP--37.97'/hr, WOB--15K, RPM--70  
Mud: Wt.--10.0, Vis--29, PH--100, Chlorides--178000, Ca--6800

Pumps: #1: TMF 1000, 6.5" x 9" x 080 SPM, GPM--295, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--663

BHA #2: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1315.77 BHA #2 Hrs: 78.5 Total DC Hrs Since Insp--90

String WT: Rot. Off Bottom: 90K, PU--94K, Slack Off--87K

Deviation: 0.5 Deg @ 2738', 1.0Deg @ 3223'

**OPERATIONS:**

**HOURS**

0600--0945	Drill 11" hole with PDC bit from 2597--2818' with full returns.
0945--1015	Rig service and BOP drill.
1015--1030	Survey @ 2738'--0.5 Deg
1030--0015	Drill 11" hole with PDC bit from 2818'--3248' with full returns.
0015--0045	Rig service and BOP drill.
0045--0215	Drill 11" hole with PDC bit from 3248'--3283' with full returns.
0215--0315	Change out transfer pump.
0315--0415	Drill 11" hole with PDC bit from 3283'--3310' with full returns.
0415--0430	Survey @ 3223'--1.0 Deg
0430--0600	Drill 11" hole with PDC bit from 3310'--3349' with full returns.

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**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 2597'--3349' w/ full return. Drill ahead with full returns and taking deviation surveys. No accidents and no spills.



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Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-18-2011**

**Day #7**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 3503'  
Previous Depth: 3349'  
Progress: 154' in 5.75 Hrs.  
ROP: 26.78'/hr  
Lithology: Anhydrite/Salt  
Cum rot hrs: 95.75Hrs.

\*\*\*\*\*  
Bit #2: 11", Smith, M716VSPX, Ser #: JD4474, 7-16's, In @ 368', out @ 3398'  
Make 2981' in 81hrs, ROP--37.40'/hr, WOB--15K, RPM--70  
Dull Grade: 1, 1, WT, N, X, 1, WT

Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 105' in 3.25hrs, ROP--32.30'/hr, WOB--12K, RPM--65

Mud: Wt--10.0, Vis--29, PH--10.0, Chlorides--178000, Ca--7200

Pumps: #1: TMF 1000, 6.5" x 9" x 046 SPM, GPM--170, Pump Pressure--1900psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--538

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72 BHA #3 Hrs: 03.25 Total DC Hrs Since Insp--95.75

String WT: Rot. Off Bottom: 70K, PU--94K, Slack Off--87K

Deviation: 1.0Deg @ 3223'.

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0830 Drill 11" hole with PDC bit from 3349'--3398' with full returns.	02.50
0830--0915 Pump sweep and circulate hole.	00.75
0915--1345 POOH to change Bit. Pulled tight F/1300--1500'	04.50
1345--1445 Change out bit and bit sub.	01.00
1445--0230 GIH with bit #3. Work tight hole F1000'--1085', washed F/1920'--3398'.	11.75
0230--0545 Drill 11" hole with PDC bit from 3398'--3503' with full returns.	03.25
0545--0600 Rig service and BOP drill.	00.25

**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 3349'--3503' w/ full return. Drill ahead with full returns and taking deviation surveys. Bit trip at 3398'. Work tight hole while POOH and GIH washing F/1920'--3398' back to bottom, No accidents and no spills

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Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-19-2011**

**Day #8**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 4382'  
Previous Depth: 3503'  
Progress: 879' in 23.25 Hrs.  
ROP: 37.80'/hr  
Lithology: Anhydrite/Salt  
Cum rot hrs: 114 Hrs.

\*\*\*\*\*  
Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 984' in 26.50 Hrs, ROP--37.13'/hr, WOB--15K, RPM--65

Mud: Wt.--10.1, Vis--29, PH--11, Chlorides--184000, Ca--6800

Pumps: #1: TMF 1000, 6.5" x 9" x 046 SPM, GPM--170, Pump Pressure--1900psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--538

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72 BHA #3 Hrs: 26.5 Total DC Hrs Since Insp--114.0

String WT: Rot. Off Bottom: 70K, PU--94K, Slack Off--87K

Deviation: 1.0 Deg @ 3803'.

**OPERATIONS:**

**HOURS**

0600--1345	Drill 11" hole with PDC bit from 3503'--3816' with full returns.
1345--1400	Rig service and BOP drill
1400--1845	Drill 11" hole with PDC bit from 3816'--3970' with full returns.
1845--1900	Lay down one bad joint of drill pipe
1900--0330	Drill 11" hole with PDC bit from 3970'--4319' with full returns.
0330--0345	Rig service and BOP drill
0345--0600	Drill 11" hole with PDC bit from 4319'--4382' with full returns.

07.75  
00.25  
04.75  
00.25  
08.50  
00.25  
02.25

=====

**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 3503'--4382' w/ full return. Drill ahead with full returns and taking deviation surveys. Haul 10 loads of brine to inside reserve. No accidents and no spills.

The following casing was delivered to location from Myco Inventory: Via Lomac Trucking and forklift. 65 Jts of

8 5/8" 32# HCK-55, 46 Jts 8 5/8" 32# J-55, 44 Jts 8 5/8" 24# J-55: **155 JointsTotal**, Casing details and tally to follow.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-20-2011**

**Day #9**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 5006'  
Previous Depth: 4382'  
Progress: 624' in 23.50 Hrs.  
ROP: 26.55'/hr  
Lithology: Anhydrite/Salt  
Cum rot hrs: 137.5 Hrs.

\*\*\*\*\*  
Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 1608' in 50.00 Hrs, ROP--32.16'/hr, WOB--15K, RPM--65

Mud: Wt.--10.1, Vis--30, PH--11, Chlorides--175000, Ca--5800

Pumps: #1: TMF 1000, 6.5" x 9" x 046 SPM, GPM--170, Pump Pressure--1900psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--368, GPM Total--538

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72 BHA #3 Hrs: 50.00 Total DC Hrs Since Insp--137.50

String WT: Rot. Off Bottom: 90K, PU--104K, Slack Off--97K

Deviation: 1.0 Deg @ 4757'.

**OPERATIONS:**

**HOURS**

0600--1745	Drill 11" hole with PDC bit from 4382'--4757' with full returns.
1745--1800	Rig service and BOP drill
1800--0300	Drill 11" hole with PDC bit from 4757'--4944' with full returns.
0300--0315	Rig service and BOP drill
0315--0600	Drill 11" hole with PDC bit from 4944'--5006' with full returns.

11.75  
00.25  
09.00  
00.25  
02.75

=====

**Total Hrs:**

**24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 4382'--5006' w/ full returns. Drill ahead with full returns and taking deviation surveys. Haul 5 loads of brine to inside reserve. No accidents and no spills.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-21-2011**      **Day #10**

Current Operation: Drill 11" hole with PDC bit and full returns  
Depth: 5566'  
Previous Depth: 5006'  
Progress: 560' in 23.50 Hrs.  
ROP: 23.82'/hr  
Lithology: Shale/limestone  
Cum rot hrs: 161 Hrs.

\*\*\*\*\*  
Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 2160' in 73.5 Hrs, ROP--29.49'/hr, WOB--17K, RPM--65

Mud: Wt.--10.2, Vis--30, PH--10.5, Chlorides--175000, Ca--5800

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72      BHA #3 Hrs: 73.50      Total DC Hrs Since Insp--161

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K

Deviation: 0.5 Deg @ 5374'.

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--1430	Drill 11" hole with PDC bit from 5006'--5130' with full returns.	08.50
1430--1445	Rig service and BOP drill	00.25
1445--0200	Drill 11" hole with PDC bit from 5130'--5441' with full returns.	11.25
0200--0215	Rig service and BOP drill	00.25
0215--0600	Drill 11" hole with PDC bit from 5441'--5566' with full returns.	03.75

=====

<b>Total Hrs:</b>	<b>24.00</b>
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**COMMENTS:**

Drill 11" hole w/ PDC bit from 5006'--5566' w/ full returns. Drill ahead with full returns and taking deviation surveys. Haul 3 loads of brine to inside reserve. No accidents and no spills.

The following casing was delivered to location from Myco Inventory: Lomac Trucking and forklift.

65Jts 8 5/8" 32# HCK-55 LT&C from Tool pushers supply	( 2580.21' T/Off, 2624.84' T/On)
46Jts 8 5/8" 32# J-55      LT&C from Myco Andrews Yard.	( 1744.80' T/Off, 1774.98' T/On)
44Jts 8 5/8" 24# J-55      ST&C from Myco Andrews Yard.	( 1883.71' T/Off, 1916.29' T/On)

155Jts **Total = 6208.72' T/Off, 6316.11' T/On**

Casing on racks was cleaned, strapped, drifted to 7.875" ID and VTI by Charlie's Pipe Inspection.

**MYCO Industries, Inc**  
**Daily Drilling Report**

**University 8-4 #9**  
**2310' FNL & 467' FEL**  
**Section 4, Block 8, University Lands Survey**  
**Saxon Drilling Company**  
**Landman: Hannah Palomin**  
**Andrews County, Texas**

**Geol: Jim Schlueter**

**API Number: 42-003-42994**  
**Proposed Total Depth: 13,000'**  
**Formation: Sprayberry (Trend)**  
**Rig #109: KB Elevation: 19'**  
**Engineer: Nelson Muncy**  
**Elevations: 3021' GR, 3040' KB**

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**08-22-2011**      **Day #11**

Current Operation: POOH -- wiper trip due to tight hole in several spots  
Depth: 5787'  
Previous Depth: 5566'  
Progress: 221' in 9.0 Hrs.  
ROP: 24.55'/hr  
Lithology: Anhy / Dolo  
Cum rot hrs: 170 Hrs.

\*\*\*\*\*

Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 2389' in 82.5 Hrs, ROP--28.95'/hr, WOB--17K, RPM--65

Mud: Wt.--10.1, Vis--31, PH--10.5, Chlorides--180000, Ca--6200

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72      BHA #3 Hrs: 82.50      Total DC Hrs Since Insp--170

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K  
Deviation: 0.5 Deg @ 5374'. Miss run at TD.

**OPERATIONS:**      **HOURS**

0600--0900	Drill 11" hole with PDC bit from 5566'--5655' with full returns.	03.00
0900--0915	Rig up and run Davis Fluid Caliper.	00.25
0915--1315	Drill 11" hole with PDC bit from 5655'--5755' with full returns.	04.00
1315--1330	Rig service and BOP drill	00.25
1330--1530	Drill 11" hole with PDC bit from 5755'--5787' with full returns. TD @ 1530Hrs	02.00
1530--1600	Change seal out on vibrating hose.	00.50
1600--1800	Pump low water loss pill. Circulate and condition hole.	02.00
1800--2030	POOH 5 stands and pulled tight, GIH to condition hole	02.50
2030--2215	Circulate high vis sweep with low water loss	01.75
2215--0215	POOH, working tight hole F/5390'-5160'. Continue POOH.	04.00
0215--0600	Work stuck pipe at 1085'. Work pipe free and POOH with pumps on.	03.75

=====

**Total Hrs:      24.00**

**COMMENTS:**

Drill 11" hole w/ PDC bit from 5566'--5787' w/ full returns. Drill ahead with full returns and taking deviation surveys. Reach TD of 11" intermediate hole at 1530 hrs CDT on 8/21/11. Rig up and run Davis fluid calipers-- 2263 cu ft AHV with 54% wash out. Circulate and condition hole. TOH, tight hole at 5390', GIH to bottom, pump sweep. POOH working tight hole at 1050' at report time. Call & Notified TRRC, Audrey, (Operator #2) by telephone at 2332 CDT, 8/21/2011 of running 8 5/8" csg and cementing casing. One accident- (strained back), No spills, and plan to TIH to bottom, after wiper trip due to the tight hole in numerous spots.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-23-2011**      **Day #12**

Current Operation: Circulate and condition Hole and Mud.

Depth: 5787'

Previous Depth: 5787'

Progress: 000' in 0.0 Hrs.

ROP: 00.00'/hr

Lithology: Anhy / Dolo

Cum rot hrs: 170 Hrs.

\*\*\*\*\*  
Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398'  
Make 2389' in 82.5 Hrs, ROP--28.95'/hr, WOB--17K, RPM--65

Mud: Wt.--10.1, Vis--31, PH--10.5, Chlorides--180000, Ca--6200

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72      BHA #3 Hrs: 82.50      Total DC Hrs Since Insp--170

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K

Deviation: 0.5 Deg @ 5374'. Mis-run at TD

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0845      Back ream out of hole F/1085'--1000' with pump on due to tight hole	02.75
0845--1030      POOH lay down near bit stabilizer.	01.75
1030--0400      GIH to finish up wiper trip, reaming through tight hole in red bed.	
Mud up system with salt gel, starch and 100 bbl mud oil.	17.50
0400--0600      Circulate and condition hole to POOH and run 8.625" csg	02.00
	=====
<b>Total Hrs:</b>	<b>24.00</b>

**COMMENTS:**

Call & Notified TRRC, Audrey, (Operator #2) by telephone at 2332 CDT, 8/21/2011 of running 8 5/8" csg and cementing casing. No accidents, No spills. Circulate and mud up system with salt gel, starch and 100 bbls mud oil. Ream and wash to bottom. Plan to POOH and run 8.625" casing after wiper trip.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-24-2011**      **Day #13**  
Current Operation: Run 8 5/8" casing  
Depth: 5787'  
Previous Depth: 5787'  
Progress: 000' in 0.0 Hrs.  
ROP: 00.00'/hr  
Lithology: Anhy / Dolo  
Cum rot hrs: 170 Hrs.

\*\*\*\*\*

Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398', Out @ 5787'  
Make 2389' in 82.5 Hrs, ROP--28.95'/hr, WOB--17K, RPM--65

Mud: Wt.--10.1, Vis--31, PH--10.5, Chlorides--180000, Ca--6200

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72      BHA #3 Hrs: 82.50      Total DC Hrs Since Insp--170

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K

Deviation: 0.5 Deg @ 5374'. Mis-run at TD

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0700      Circulate and condition hole	01.00
0700--1945      POH to run 8 5/8" casing, work through tight hole	12.75
1945--2100      Break out and lay down BHA	01.25
2100--2200      Hold JSA, Rig up Bull Rogers casing crew	01.00
2200--0230      Run 8 5/8" 32# HCK-55 LTC csg to 1094'	04.50
0230--0600      Wash 8 5/8" casing through tight hole f/ 1094--1131'.	03.50
	=====
<b>Total Hrs:</b>	<b>24.00</b>

**COMMENTS:**

Circulate and condition mud. Circulate hole clean. Pull out of the hole to run 8 5/8" casing. Break out and lay down 11" bit and BHA. Hold JSA and rig up Bull Rogers casing crew. Run 8 5/8" casing down to 1131', working through and washing down through tight hole at report time.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-25-2011**      **Day #14**  
Current Operation: Run 8 5/8" casing  
Depth: 5787'  
Previous Depth: 5787'  
Progress: 000' in 0.0 Hrs.  
ROP: 00.00'/hr  
Lithology: Anhy / Dolo  
Cum rot hrs: 170 Hrs.

\*\*\*\*\*

Bit #3: 11", Ulterra, MS1669BC, Ser #: M10164, 9-12's, In @ 3398', Out @ 5787'  
Make 2389' in 82.5 Hrs, ROP--28.95'/hr, WOB--17K, RPM--65

Mud: Wt.--10.1, Vis--31, PH--10.5, Chlorides--180000, Ca--6200

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #3: Bit, Bit Sub, 8" DC, 8" IBS, 8" DC, XO, Tele Drift, 20--6.5" DC's, 20--HWDP, XO sub  
Length: 1311.72      BHA #3 Hrs: 82.50      Total DC Hrs Since Insp--170

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K

Deviation: 0.5 Deg @ 5374'. Mis-run at TD

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--1545      Wash down every joint of 8 5/8" casing from 1131'--1630'	09.75
1545--2230      Finish running 8 5/8" casing to 5787'	06.75
2230--0030      Rig down and release Bull Rogers casing crew. Hold JSA w/ Halliburton	02.00
0030--0115      Install cement head. Test lines to 3000 psi.	00.75
0115--0230      Pump Stage #1, 450 sx Class "H" + 0.5% Halad-9, (Yld--1.18, Wt--15.6#)	01.25
0230--0430      Inflate Pkr, Open DV tool, Circulate 125 sx cement off of DV tool	02.00
0430--0600      Cement Stage #2 at report time.	01.50

=====  
**Total Hrs:                      24.00**

**COMMENTS:**

Wash down every joint of casing from 1131' to 1630'. Run casing from 1630'--2300'. Wash down casing from 2300--2500'. Continue running 8 5/8" casing to 5787' with no problems. Circulate casing bottoms up and rig down casing crew. Hold JSA and rig up Halliburton cement head and test lines to 3000 psi. Pump Stage #1, Circulate 125 sx off DV tool, Pump Stage #2 at report time.



## **8 5/8" INTERMEDIATE CASING & CEMENTING DETAILS:**

UNIVERSITY 8-4 #9

August 25, 2011

Drill out below 13 3/8" Casing shoe @ 1330 hrs, 8/13/2011  
TD 11" Hole at 1530 hrs, 08/21/2011 at a depth of 5787.00'  
Run Davis fluid caliper, AHV 2253 Cu Ft. @ 54% washout.

### **Run 8 5/8" Intermediate Casing as follows:**

Davis Lynch 8 5/8" Type 500 Float Shoe	1.62'
2 jts, 8 5/8", 32#, HCK-55 LT&C Casing	80.94'
Davis Lynch 8 5/8" Type 700 PVTs float collar with baffle plate	1.45'
17jts, 8 5/8", 32#, HCK-55 LT&C Casing.	672.97'
Davis Lynch 8 5/8" Type 778-100-3 packer stage tool.	18.14'
40jts, 8 5/8", 32#, HCK-55 LT&C Casing.	1592.91'
42jts 8 5/8", 32# J-55, LT&C Casing	1593.69'
Davis Lynch 8 5/8" Type 778MC stage collar/ DV tool	2.50'
41jts 8 5/8", 24# J-55, ST&C Casing	1755.46'
2jts 8 5/8", 32# HCK-55 LT&C Casing	73.65'
=====	
Total 144 jts:	5793.33'

8 5/8" Float Shoe	Set @5787.00'
8 5/8" Float Collar	Set @5702.99'
8 5/8" packer stage tool.	Set @5011.88'
8 5/8" DV TOOL	Set @ 1823.14'

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

### **Cement: 8 5/8" Casing w/: Halliburton Energy Services**

#### **Stage #1:**

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

450 SX HalCem "H" + 0.5% Halad-R  
Yield 1.19 cu ft, Weight--15.6# ppg

Displace w/ 352 bbls mud. Did Not Bump plug or over displace. Shut down at 0230 hrs CDT, 8/25/2011 and check float. (OK) Drop bomb and open DV tool with 850 psi, Pump total of 500 bbls mud through DV tool, Circ 125 sx cmt off DV tool.

#### **Stage #2:**

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

700 SX EconoCem HLC(65/35:10) "C" Permian Basin Critical Zone +  
5% KCL + 6% bentonite + 1# Phenoseal + 0.3% HR-300  
Yield--2.12 cu ft, Wt--11.82# ppg

200 Premium Plus "C"  
Yield--1.33 cu ft, Wt--14.8# ppg

Displace w/ 10 bbls fresh water, 300 bbls mud, check floats-- ok. Bump plug w/ 450 psi. Close tool with 1850psi. Plug down at 0800 hrs, CDT, 8/25/2011. Drop bomb.

Open tool with 870 psi.

Circulate 100sx of cement off of DV tool #2 to the reserve pit. Circ thru DV tool 4 hrs.

### Stage #3:

10 Bbl Gel Spacer

500 Sx Permian Basin Critical Zone "C" + 3% KCL + 1# Phenoseal

Yield--1.95 cu ft, Wt--13.1# ppg

200 Sx HalCem "C"

Yield--1.33 cu ft, Wt--14.8# ppg

Displace with 111 bbls fresh water. Bump plug with 575 psi and close DV with 1850 psi

Circulate 65 sx cement to the surface, Floats held--OK

Plug down at 1300 hrs, 8-25-2011.

### Notified:

TRRC, (Audrey, Operator #2) @ 2332 hrs CDT, 08/21/2011, of running casing and cement details via telephone, no witness; WOC 8 hrs, ND BOPs and cut casing. Set slips with 110k, remove spacer spool, make rough cut and prepare to nipple up BOP's.

### NOTE: RECEIVED:

65Jts 8 5/8" 32# HCK-55 LT&C from Tool pushers supply	( 2580.21' T/Off, 2624.84' T/On)
46Jts 8 5/8" 32# J-55 LT&C from Myco Andrews Yard.	( 1744.80' T/Off, 1774.98' T/On)
44Jts 8 5/8" 24# J-55 ST&C from Myco Andrews Yard.	( 1883.71' T/Off, 1916.29' T/On)

155Jts **Total = 6208.72' T/Off, 6316.11' T/On**

Casing on racks was cleaned, strapped, drifted to 7.875" ID and VTI by Charlie's Pipe Inspection.

### CASING RETURNED BACK TO ANDREWS YARD:

1 Cut joint 8 5/8" 32# HCK-55 LT&C	21.64'
4 jt. 8 5/8" 32# HCK-55 LT&C	(T/OFF 159.74')
3 jt. 8 5/8" 32# J-55 LT&C	(T/OFF 151.11')
4 jt. 8 5/8" 24# J-55 LT&C	(T/OFF 128.25')

**NOTE:** TOTAL 8-5/8" CASING RUN of 5793.33' includes the length of casing hardware.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-26-2011**      **Day #15**  
Current Operation: Test BOP Equipment.  
Depth: 5787'  
Previous Depth: 5787'  
Progress: 000' in 0.0 Hrs.  
ROP: 00.00'/hr  
Lithology: Anhy / Dolo  
Cum rot hrs: 170 Hrs.

\*\*\*\*\*

Bit #4: 7 7/8"

Mud: Wt.--10.1, Vis--31, PH--10.5, Chlorides--180000, Ca--6200

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1800psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #4: Bit,  
Length: 0000      BHA #4 Hrs: 00.00      Total DC Hrs Since Insp--00.00

String WT: Rot. Off Bottom: 99K,      PU--104K,      Slack Off--97K

Deviation: 0.75 Deg @ 5787'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0800      Cement Stage #2, Plug down at 0800 hrs, 8/25/2011.	02.00
0800--1115      Drop opening bomb and circulate through DV tool, Circ 100 sx off of DV tool.	03.25
1115--1300      Cement Stage #3, Plug down at 1300 hrs, Circulate 65 sx cement to surface	01.75
1300--1600      WOC, Rig down Halliburton cementers, nipple down BOP at the wellhead.	03.00
1600--2100      WOC, Nipple up "B" Section, test wellhead seals to 2500 psi.	05.00
2100--0315      WOC, Nipple up BOP stack, manifold, flow line	06.25
0315--0600      Test BOP equipment to 300 psi low, 3000 psi high, 1500 psi on annular	02.75

=====  
**Total Hrs:                      24.00**

**COMMENTS:**

Finish cementing the 8 5/8" casing.      Circulate 125 sx on Stage #1, Circulate 100 sx on Stage #2, Circulate 65 sx on Stage #3 to surface.      WOC, ND BOP, NU "B" Section.      Nipple up BOP and test BOP equipment, choke manifold lines, valves to 300 psi low and 3000 psi high.      Test annular to 1500 psi.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-27-2011**      **Day #16**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 5967'  
Previous Depth: 5787'  
Progress: 180' in 8.75 Hrs.  
ROP: 20.57'/hr  
Lithology: Anhy / Dolo  
Cum rot hrs: 178.75Hrs.

\*\*\*\*\*

Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 180' in 8.75 Hrs, ROP--20.57'/Hr, WOB--15K, RPM--65

Mud: Wt.--8.6, Vis--28, PH--11.0, Chlorides--4800, Ca--1200

Pumps: #1: TMF 1000, 6.5" x 9" x 050 SPM, GPM--195, Pump Pressure--2350 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--355, GPM Total--550

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 08.75    Total DC Hrs Since Insp--178.75

String WT: Rot. Off Bottom: 99K,    PU--104K,    Slack Off--97K

Deviation: 0.75 Deg @ 5787'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0830    TIH with BHA #4 to 1303'	02.50
0830--0915    Slip and cut 51' of drilling line	00.75
0915--1000    Continue to TIH to DV tool. Tag cement at 1829'	00.75
1000--1315    Drill cement, plug and DV tool, Test csg to 2500 psi.	03.25
1315--1545    Continue in hole to Packer Stage Tool, Tag at 4992'	02.50
1545--1915    Drill cement, plug and DV tool. Test csg to 2500 psi	03.50
1915--1945    Continue in hole to float collar, Tag at 5560'	00.50
1945--2100    Drill cement float and shoe	01.25
2100--0345    Drill 7 7/8" hole with PDC bit from 5787'--5932' w/ full returns	06.75
0345--0400    Rig Service, BOP Drill	00.25
0400--0600    Drill 7 7/8" hole with PDC bit from 5932'--5967' w/ full returns	02.00

=====

**Total Hrs:                      24.00**

**COMMENTS:**

Pick up and Make up BHA #4. TIH, cut drilling line and drill out DV tools and float equipment. Test 8 5/8" casing to 2500 psi prior to drilling each DV tool. Drill out and cut new formation at 2100 hrs, 8/26/2011. Drill from 5787'--5967' with PDC bit and full returns. No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-28-2011**      **Day #17**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 6744'  
Previous Depth: 5967'  
Progress: 777' in 23.00 Hrs.  
ROP: 33.78'/hr  
Lithology: Dolo / Lime / Sand  
Cum rot hrs: 201.75Hrs.

\*\*\*\*\*  
Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 957' in 31.75 Hrs, ROP--30.14'/Hr, WOB--10K, RPM--80

Mud: Wt.--8.6, Vis--28, PH--11.0, Chlorides--4800, Ca--1200

Pumps: #1: TMF 1000, 6.5" x 9" x 050 SPM, GPM--195, Pump Pressure--2240 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--355, GPM Total--550

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 31.75    Total DC Hrs Since Insp--201.75

String WT: Rot. Off Bottom: 118K,    PU--130K,    Slack Off--110K

Deviation: 0.25 Deg @ 6054', 3.0 Deg @ 6179', 3.0 Deg @ 6619'

<b><u>OPERATIONS:</u></b>		<b><u>HOURS</u></b>
0600--1045	Drill 7 7/8" hole with PDC bit from 5967'--6122' w/ full returns.	04.75
1045--1100	Rig Service, BOP Drill	00.25
1100--0330	Drill 7 7/8" hole with PDC bit from 6122'--6682' w/ full returns	16.50
0330--0345	Rig Service, Grease blocks, wash pipe, top drive, HDU Oil	00.25
0345--0600	Drill 7 7/8" hole with PDC bit from 6682'--6744' w/ full returns	02.25
		=====
<b>Total Hrs:</b>		<b>24.00</b>

**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 5967'--6744' with full returns. Drill with reduced WOB due to deviation. No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-29-2011**      **Day #18**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 7430'  
Previous Depth: 6744'  
Progress: 686' in 21.00 Hrs.  
ROP: 33.78'/hr  
Lithology: Dolo / Lime / Sand  
Cum rot hrs: 222.75 Hrs.

\*\*\*\*\*

Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 1643' in 52.75 Hrs, ROP--31.15'/Hr, WOB--12K, RPM--70

Mud: Wt.--8.6, Vis--28, PH--11.0, Chlorides--4800, Ca--1200

Pumps: #1: TMF 1000, 6.5" x 9" x 032 SPM, GPM--135, Pump Pressure--1900 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--355, GPM Total--490

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 52.75    Total DC Hrs Since Insp--222.75

String WT: Rot. Off Bottom: 128K,    PU--130K,    Slack Off--120K

Deviation: 3.0 Deg @ 6865', 2.5 Deg @ 7114', 3.0 Deg @ 7299'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--1130    Drill 7 7/8" hole with PDC bit from 6744'--6993' w/ full returns.	05.50
1130--1145    Rig Service, BOP Drill	00.25
1145--1730    Drill 7 7/8" hole with PDC bit from 6993'--7180' w/ full returns	05.75
1730--2000    Rig Repairs and Service, change out dies in grabber box	02.50
2000--0315    Drill 7 7/8" hole with PDC bit from 7180'--7368' w/ full returns	07.25
0315--0330    Rig Service, grease and lube top drive, draw works	00.25
0330--0600    Drill 7 7/8" hole with PDC bit from 7368'--7430' w/ full returns	02.50

=====  
**Total Hrs:                    24.00**

**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 6744'--7430' with full returns.    Drill with reduced WOB due to deviation.    No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**08-30-2011**      **Day #19**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 8152'  
Previous Depth: 7430'  
Progress: 722' in 23.50 Hrs.  
ROP: 30.72'/hr  
Lithology: Dolo / Lime / Sand  
Cum rot hrs: 246.25 Hrs.

\*\*\*\*\*

Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 2365' in 76.25 Hrs, ROP--31.01'/Hr, WOB--17K, RPM--65

Mud: Wt.--8.7, Vis--28, PH--11.0, Chlorides--30200, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 038 SPM, GPM--135, Pump Pressure--2450 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--355, GPM Total--490

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 76.25    Total DC Hrs Since Insp--246.25

String WT: Rot. Off Bottom: 135K,    PU--150K,    Slack Off--120K

Deviation: 1.50 Deg @ 7489', 1.5 Deg @ 7616', 0.5 Deg @ 7737', 1.0 Deg @ 7928'

<b><u>OPERATIONS:</u></b>		<b><u>HOURS</u></b>
0600--1400	Drill 7 7/8" hole with PDC bit from 7430'--7682' w/ full returns.	08.00
1400--1415	Rig Service, BOP Drill	00.25
1415--0500	Drill 7 7/8" hole with PDC bit from 7682'--8116' w/ full returns	14.75
0500--0515	Rig Service, grease and lube top drive, draw works	00.25
0515--0600	Drill 7 7/8" hole with PDC bit from 8116'--8152' w/ full returns	00.75
		=====
<b>Total Hrs:</b>		<b>24.00</b>

**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 7430'--8152' with full returns. Drill with full returns taking deviation surveys. No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**08-31-2011**      **Day #20**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 8965'  
Previous Depth: 8152'  
Progress: 813' in 23.50 Hrs.  
ROP: 34.55'/hr  
Lithology: Dolo / Lime / Sand  
Cum rot hrs: 269.75 Hrs.

\*\*\*\*\*  
Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 3178' in 99.75 Hrs, ROP--31.85'/Hr, WOB--17K, RPM--65

Mud: Wt.--8.7, Vis--28, PH--11.0, Chlorides--32800, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1550 psi  
#2: TMF 1000, 6.5" x 9" x 115 SPM, GPM--400, GPM Total--400

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 99.75    Total DC Hrs Since Insp--269.75

String WT: Rot. Off Bottom: 150K,    PU--160K,    Slack Off--125K

Deviation: 1.0 Deg @ 8301', 1.0 Deg @ 8809'

<b><u>OPERATIONS:</u></b>		<b><u>HOURS</u></b>
0600--1245	Drill 7 7/8" hole with PDC bit from 8152'--8309' w/ full returns.	06.75
1245--1300	Rig Service, BOP Drill	00.25
1300--0400	Drill 7 7/8" hole with PDC bit from 8309'--8934' w/ full returns	15.00
0400--0415	Rig Service, grease and lube top drive, draw works	00.25
0415--0600	Drill 7 7/8" hole with PDC bit from 8934'--8965' w/ full returns	01.75
		=====
<b>Total Hrs:</b>		<b>24.00</b>

**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 8152'--8965' with full returns. Drill with full returns taking deviation surveys. No accidents, no spills, no losses, no gains.



**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-01-2011**      **Day #21**

Current Operation: Drill 7 7/8" hole with PDC bit and full returns  
Depth: 9401'  
Previous Depth: 8965'  
Progress: 436' in 23.75 Hrs.  
ROP: 34.55'/hr  
Lithology: Dolo / Lime / Sand  
Cum rot hrs: 293.50 Hrs.

\*\*\*\*\*  
Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787'  
Make 3614' in 123.50 Hrs, ROP--29.26'/Hr, WOB--17K, RPM--60

Mud: Wt.--8.7, Vis--32, PH--10.0, WL--25cc, Chlorides--32800, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--1550 psi  
#2: TMF 1000, 6.5" x 9" x 115 SPM, GPM--400, GPM Total--400

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'      BHA #4 Hrs: 123.50      Total DC Hrs Since Insp--293.50

String WT: Rot. Off Bottom: 150K,      PU--160K,      Slack Off--125K

Deviation: 0.5 Deg @ 9308'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--1230	Drill 7 7/8" hole with PDC bit from 8965'--9059' w/ full returns.	06.50
1230--1300	Rig Service, BOP Drill	00.50
1300--2345	Drill 7 7/8" hole with PDC bit from 9059'--9308' w/ full returns	10.75
2345--0000	Deviation Survey @ 9308'---0.5 Deg	00.25
0000--0330	Drill 7 7/8" hole with PDC bit from 9308'--9370' w/ full returns	03.50
0330--0400	Rig Service, grease and lube top drive, draw works	00.50
0400--0600	Drill 7 7/8" hole with PDC bit from 9370'--9401' w/ full returns	02.00

<b>Total Hrs:</b>	<b>24.00</b>
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**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 8965'--9401' with full returns. Drill with full returns taking deviation surveys. No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**09-02-2011**      **Day #22**

Current Operation: TIH w/ Bit #5  
Depth: 9477'  
Previous Depth: 9401'  
Progress: 76' in 06.00 Hrs.  
ROP: 12.66'/hr  
Lithology: Dolo / Lime / Shale  
Cum rot hrs: 299.50 Hrs.

\*\*\*\*\*

Bit #4: 7 7/8", Smith, M616, Ser #: JE4007, 6-16's, In at 5787', Out at 9477'  
Make 3690' in 129.50 Hrs, ROP--28.49'/Hr, WOB--17K, RPM--60  
Bit #5: 7 7/8", Smith, F47HY, Ser #: PS9305, 3-18's, In at 9477',  
Make 000' in 00.00 hrs.

Mud: Wt.--8.7, Vis--32, PH--10.0, WL--25cc, Chlorides--32800, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 040 SPM, GPM--110, Pump Pressure--2100 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--380, GPM Total--490

BHA #4: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #4 Hrs: 129.50    Total DC Hrs Since Insp--299.50

String WT: Rot. Off Bottom: 170K,    PU--195K,    Slack Off--180K

Deviation: 0.5 Deg @ 9308'

<b>OPERATIONS:</b>	<b>HOURS</b>
0600--1200    Drill 7 7/8" hole with PDC bit from 9401'--9477' w/ full returns.	06.00
1200--1300    Circulate bottoms up and prep to TOH for bit.	01.00
1300--2030    TOH for bit change	07.50
2030--0215    Make up new Bit #5 and BHA, TIH to 5700'	05.75
0215--0245    Rig Service, grease and lube top drive, draw works	00.50
0245--0345    Cut Drilling line (37')	01.00
0345--0600    TIH with Bit #5 from 5700'--8300'	02.25
	=====
<b>Total Hrs:</b>	<b>24.00</b>

**COMMENTS:**

Drill 7 7/8" hole with PDC bit from 9401'--9477' with full returns. Drill with full returns taking deviation surveys. Circulate bottoms up prior to TOH for bit change. TOH, and change bits, TIH to 5700' and cut drilling line. Continue to TIH to bottom. No accidents, no spills, no losses, no gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**09-03-2011**      **Day #23**

Current Operation: Rig Repair...Change out Top Drive

Depth: 9535'

Previous Depth: 9477'

Progress: 58' in 06.50 Hrs.

ROP: 8.92'/hr

Lithology: Dolo / Lime / Shale

Cum rot hrs: 306.00 Hrs.

\*\*\*\*\*

Bit #5: 7 7/8", Smith, F47HY, Ser #: PS9305, 3-18's, In at 9477,  
Make 58' in 06.50 Hrs, ROP--8.92'/Hr, WOB--35K, RPM--65

Mud: Wt.--8.7, Vis--32, PH--10.0, WL--25cc, Chlorides--32800, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 040 SPM, GPM--110, Pump Pressure--2100 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--380, GPM Total--490

BHA #5: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56' BHA #5 Hrs: 6.50 Total DC Hrs Since Insp--306.00

String WT: Rot. Off Bottom: 170K, PU--195K, Slack Off--180K

Deviation: 0.5 Deg @ 9308'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--0700      TIH w/ Bit #5	01.00
0700--0745      Wash to bottom	00.75
0745--0830      Change out rotating head rubber	00.75
0830--1500      Drill 7 7/8" from 9477'--9535' w/ insert bit and full returns.	06.50
1500--1615      Break out top drive to be repaired	01.25
1615--2000      Pull up into 8 5/8" casing to 5607'	03.75
2000--0600      Shut Down---Rig Repair--Top Drive	10.00

=====

**Total Hrs:                      24.00**

**COMMENTS:**

Finish TIH with Bit #5 to TD. Drill 7 7/8" hole with Insert Bit from 9477'--9535' with full returns. Drill with full returns from 9477'--9535'. Break out and lay down top drive and send for repairs. Shut down for rig repairs. Pull up into 8 5/8" casing for top drive repairs. No accidents, No spills, No Losses, No gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-04-2011**

**Day #24**

Current Operation: Rig Repair...Trouble Shoot Top Drive

Depth: 9535'

Previous Depth: 9477'

Progress: 58' in 06.50 Hrs.

ROP: 8.92'/hr

Lithology: Dolo / Lime / Shale

Cum rot hrs: 306.00 Hrs.

\*\*\*\*\*

Bit #5: 7 7/8", Smith, F47HY, Ser #: PS9305, 3-18's, In at 9477,  
Make 58' in 06.50 Hrs, ROP--8.92'/Hr, WOB--35K, RPM--65

Mud: Wt.--8.7, Vis--32, PH--10.0, WL--25cc, Chlorides--32800, Ca--2800

Pumps: #1: TMF 1000, 6.5" x 9" x 040 SPM, GPM--110, Pump Pressure--2100 psi  
#2: TMF 1000, 6.5" x 9" x 100 SPM, GPM--380, GPM Total--490

BHA #5: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56' BHA #5 Hrs: 6.50 Total DC Hrs Since Insp--306.00

String WT: Rot. Off Bottom: 170K, PU--195K, Slack Off--180K

Deviation: 0.5 Deg @ 9308'

**OPERATIONS:**

**HOURS**

0600--0030	Rig Repair--Top Drive. Change out top drive from other rig.	18.50
0030--0400	TIH back to bottom	03.50
0400--0600	Fill pipe, circulate, Pull up hole 3 stands off bottom & trouble shoot top drive.	02.00

=====

**Total Hrs:**

**24.00**

**COMMENTS:**

Rig repairs---change out top drive of rig. Change out top drive with drive from other rig that is down. Go back to bottom, break circulation and pull 3 stands off bottom to trouble shoot top drive. No accidents, No spills, No Losses, No gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

=====

**09-05-2011**      **Day #25**

Current Operation: Drill 7 7/8" hole with insert bit with full returns  
Depth: 9833'  
Previous Depth: 9535'  
Progress: 298' in 20.75 Hrs.  
ROP: 14.36'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 326.75 Hrs.

\*\*\*\*\*

Bit #5: 7 7/8", Smith, F47HY, Ser #: PS9305, 3-18's, In at 9477,  
Make 356' in 27.25 Hrs, ROP--13.06'/Hr, WOB--45K, RPM--65

Mud: Wt.--9.0, Vis--33, PH--10.0, WL--15cc, Chlorides--27800, Ca--1800

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2300 psi  
#2: TMF 1000, 6.5" x 9" x 110 SPM, GPM--405, GPM Total--405

BHA #5: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #5 Hrs: 27.25      Total DC Hrs Since Insp--326.75

String WT: Rot. Off Bottom: 182K,    PU--200K,    Slack Off--180K

Deviation: 0.5 Deg @ 9799'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--0745	Rig Repair--Trouble shoot top drive.	01.75
0745--0800	Wash to bottom	00.25
0800--1415	Drill 7 7/8" hole w/ insert bit from 9535'--9617' with full returns	06.25
1415--1445	Rig Service, BOP Drill	00.50
1445--0200	Drill 7 7/8" hole w/ insert bit from 9617'--9806' with full returns	11.25
0200--0230	Rig Service, Lubricate rig	00.50
0230--0245	Deviation Survey @ 9799'--0.50 Deg	00.25
0245--0600	Drill 7 7/8" hole w/ insert bit from 9806'--9833' with full returns	03.25

=====  
**Total Hrs:                      24.00**

**COMMENTS:**

Rig repairs---Troubleshoot top drive. Drill 7 7/8" hole with insert bit from 9535'--9833' with full returns. Lubricate and service rig. Run deviation survey at 9799'---0.50 Deg. No accidents, No spills, No Losses, No gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

**University 8-4 #9**  
**2310' FNL & 467' FEL**  
**Section 4, Block 8, University Lands Survey**  
**Saxon Drilling Company**  
**Landman: Hannah Palomin**  
**Andrews County, Texas**

**Geol: Jim Schlueter**

**API Number: 42-003-42994**  
**Proposed Total Depth: 13,000'**  
**Formation: Sprayberry (Trend)**  
**Rig #109: KB Elevation: 19'**  
**Engineer: Nelson Muncy**  
**Elevations: 3021' GR, 3040' KB**

**09-06-2011**      **Day #26**

Current Operation: Drilling 7 7/8" hole with PDC bit & full returns  
Depth: 9884'  
Previous Depth: 9833'  
Progress: 51' in 6.50 Hrs.  
ROP: 7.84'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 332.25 Hrs.

\*\*\*\*\*  
Bit #5: 7 7/8", Smith, F47HY, Ser #: PS9305, 3-18's, In at 9477, Out @ 9874'  
Make 356' in 27.25 Hrs, ROP--13.06'/Hr, WOB--45K, RPM--65, T1, B1, N, E, PR

Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 10' in 0.50 Hrs, ROP--20'/hr, WOB--8K, RPM--65

Mud: Wt.--9.0, Vis--33, PH--10.0, WL--15cc, Chlorides--27800, Ca--1800

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2300 psi  
#2: TMF 1000, 6.5" x 9" x 120 SPM, GPM--442, GPM Total--442

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #5 Hrs: 00.50    Total DC Hrs Since Insp--332.25

String WT: Rot. Off Bottom: 190K,    PU--210K,    Slack Off--180K

Deviation: 0.5 Deg @ 9799'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
0600--1200 Drill 7 7/8" hole with insert bit from 9833'--9874' with full returns	06.00
1200--1315 Pump sweep and circulate bottoms up for bit trip	01.25
1315--2200 TOH with Bit #5, looks like new	07.75
2200--0200 Change bits and TIH w/ PDC bit to 5570'	05.00
0200--0215 Fill drill pipe / rig service	00.25
0215--0500 TIH from 5570'--9806'	02.75
0500--0530 Wash to bottom f/ 9806'--9874'	00.50
0530--0600 Drill 7 7/8" hole w/ PDC bit from 9874'--9884' with full returns	00.50
	=====
<b>Total Hrs:</b>	<b>24.00</b>

**COMMENTS:**

Drill 7 7/8" hole with insert bit from 9833'--9874'. TOH for bit change, make up new PDC bit and TIH. Wash to bottom and drill 7 7/8" hole with PDC bit from 9874' to 9884'. No accidents, No spills, No Losses, No gains.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

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**09-07-2011**      **Day #27**

Current Operation: Drilling 7 7/8" hole with PDC bit & full returns  
Depth: 10094'  
Previous Depth: 9884'  
Progress: 210' in 19.50 Hrs.  
ROP: 10.76'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*

Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #5 Hrs: 20.00    Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K,    PU--235K,    Slack Off--162K

Deviation: 0.5 Deg @ 9799'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--1330	Drill 7 7/8" hole with PDC bit from F/9884'--9991' with full returns. No flow.	07.50
1330--1400	Rig service/BOP Drill.	00.50
1400--0200	Drill 7 7/8" hole with PDC bit from F/9991'--10094' with full returns. No flow.	12.00
0200--0300	Work pipe and circulate sweep due to high rotary torque.	01.00
0300--0600	POOH for short trip check rotary torque every 10 stands.	03.00

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<b>Total Hours:</b>	<b>24.00</b>
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**COMMENTS:**

Drill 7 7/8" hole from 9884'--10094' using PDC bit and full returns. Test for flow during connections--no flow. Drill 7 7/8" hole with full returns and T-drift surveys. Monitor for gains and losses while drilling/tripping. Rotary torque is now too high to drill. POOH for wiper trip while checking, rotary torque every 10 stands. No H2S alarms and no accidents. No flow and no losses.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-08-2011**      **Day #28**

Current Operation: Circulate / Run Gyro to confirm deviation  
Depth: 10094'  
Previous Depth: 10094'  
Progress: 000' in 00.00 Hrs.  
ROP: 00.00'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*  
Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'      BHA #5 Hrs: 20.00      Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K,      PU--235K,      Slack Off--162K

Deviation: 0.5 Deg @ 9799'

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--0800	POOH to 8 5/8" casing shoe check rotary torque every 10 stands	02.00
0800--1530	Trouble shoot Top Drive	07.50
1530--1700	Rig up old top drive to TIH w/ DP to 8000' with bit to run Gyro Survey	01.50
1700--0200	MIRU Scientific Drilling gyro survey three times to confirm excess deviation in wellbore causing the excessive torque. Gyro shows max deviation of well bore at 27 degrees inclination at 5800'. Run third gyro w/ different tools & confirm the deviation. Contact Saxon Drilling about actual deviation Versus deviation reported on daily reports.	09.00
0200--0600	Circulate and wait on Gyro Data to run Gyro Survey for Saxon Drilling Co.	04.00

<b>Total Hours:</b>	<b>24.00</b>
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**COMMENTS:**

Pull out of the hole taking torque readings every 10 stands. Pull bit up to 5700' inside the 8 5/8" casing and trouble shoot top drive. Top drive is locking up. Start rigging down top drive to replace with new one. Call out Scientific Drilling to run Gyro Survey to confirm deviation surveys submitted on daily drilling reports. **Gyro Survey shows maximum deviation of 27 degrees inclination at 5800'**, vastly different from what was reported. Run Gyro Survey again with another tool and showed same results. Contact Saxon Drilling about the discrepancy and currently running a Gyro Survey with GyroData for Saxon Drilling Company. **Well is going to have to be plugged and abandoned.** Current BHL is 913.98' South & 130.28' West of current surface location.



**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

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**09-09-2011**      **Day #29**

Current Operation: GIH with 2 7/8" tubing and make up X-O sub back to drill pipe.

Depth: 10094'

Previous Depth: 10094'

Progress: 000' in 00.00 Hrs.

ROP: 00.00'/hr

Lithology: Lime / Shale

Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*

Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'      BHA #5 Hrs: 20.00      Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K,      PU--235K,      Slack Off--162K

Deviation:

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--1030	Circulate and work pipe while waiting on premier wire line to run Gyro deviation. 04.50
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1030--1530	Rig up and run Saxon Drilling Company's gyro survey to confirm Scientific Drilling prior gyro results. Both company's gyro surveys matched up. 05.00
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1530--2345	POOH laying down BHA and bit. Prep to run 25 joints of 2 7/8" EUE tubing and drill pipe to set cement plugs. 08.25
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2345--0045	Strap tubing, change out elevators, install rotating head. 01.00
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0045--0115	Rig service. 01.00
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0115--0300	Wait on 2 7/8" tubing handling tools and cross over sub. 01.75
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0300--0600	RU handling tools and pick up 25 joints of 2 7/8" EUE tubing. Make up XO-sub. 03.00
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<b>Total Hours:</b>	<b>24.00</b>
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**COMMENTS:**

Call out Premier Wire Line to run Gyro Survey to confirm deviation surveys submitted Scientific Drilling. Work pipe and circulate while waiting on Gyro. RU and run Premier Drilling wire line gyro survey. **Both Gyro Company's Surveys show the same deviation with maximum deviation of 27 degrees inclination at 5800'.** POOH and lay down BHA and prep to run 2 7/8" tubing with drill pipe too plug and abandon well.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-10-2011**      **Day #30**

Current Operation: Setting Cement Plugs to P&A Well

Depth: 10094'

Previous Depth: 10094'

Progress: 000' in 00.00 Hrs.

ROP: 00.00'/hr

Lithology: Lime / Shale

Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*

Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56'    BHA #5 Hrs: 20.00    Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K,    PU--235K,    Slack Off--162K

Deviation: 27 deg at 5800'.

<b><u>OPERATIONS:</u></b>	<b><u>HOURS</u></b>
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0600--1300	GIH hole with Drill pipe and 2 7/8" EUE tubing to cement well bore to surface.	07.00
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1300--1800	Circulate and wait on Halliburton cement and crews.	05.00
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1800--0600	Rig up Halliburton and set cement plugs in 500-600' stages per Halliburton regulations. Pump Class "H" at 15.6# with 1.18 Yld. Circ cement at each interval, then pump next stage. Open hole is cemented back to 8 5/8" csg shoe at report time.	
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	12.00
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<b>Total Hours:</b>	<b>24.00</b>
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**COMMENTS:**

GIH with 2 7/8" EUE tubing and drill pipe to plug and abandon well. Wait on Halliburton cement and crews. R/U and begin cementing well bore to surface with Class H cement with 1.18 Yield, 15.6 wt plus additives. Cement report to follow.

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
2310' FNL & 467' FEL  
Section 4, Block 8, University Lands Survey  
Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-11-2011**

**Day #31**

Current Operation: ND BOP's and Clean Pits  
Depth: 10094'  
Previous Depth: 10094'  
Progress: 000' in 00.00 Hrs.  
ROP: 00.00'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*  
Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56' BHA #5 Hrs: 20.00 Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K, PU--235K, Slack Off--162K

Deviation: 27 deg at 5800'.

**OPERATIONS:**

**HOURS**

0600--0700	POOH 10 stands DP, reverse circulate cement to surface.	01.00
0700--1245	POOH laying down 148 joints 4" drill pipe.	05.75
1245--1600	GIH with 74 stands of drill pipe.	03.25
1600--0145	Rig up Halliburton and set cement plugs in 500-600' stages per Halliburton and their regulations. Pump Class "C" 65:35:6, Wt--12.4#, Yld--2.12 Circulate cement out at each interval, then pump next stage. Circulate cement to the surface and cap with 60' Class "H" cement at 15.6#.	
	The entire well bore is now completely full of cement.	09.75
0145--0600	Nipple down BOP's, flow line and well head.	04.25

**Total Hours:**

**24.00**

**COMMENTS:**

POOH laying down 4" DP and tubing after spotting cement plugs. Cement 7 7/8" open hole all the way back into 8 5/8" casing, then Cement 8 5/8" casing to surface with Class C 65:35:6 with 2.12 Yield, 12.4 wt plus additives. Spot 60' cap plug at surface with 15.6# HalCem H cement. Wash through wellhead and BOP's. ND BOP, Clean Pits,

**MYCO Industries, Inc**  
**Daily Drilling Report**

University 8-4 #9  
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Saxon Drilling Company  
Landman: Hannah Palomin  
Andrews County, Texas

Geol: Jim Schlueter

API Number: 42-003-42994  
Proposed Total Depth: 13,000'  
Formation: Sprayberry (Trend)  
Rig #109: KB Elevation: 19'  
Engineer: Nelson Muncy  
Elevations: 3021' GR, 3040' KB

**09-12-2011**

**Day #32**

Current Operation: ND BOP's and Clean Pits  
Depth: 10094'  
Previous Depth: 10094'  
Progress: 000' in 00.00 Hrs.  
ROP: 00.00'/hr  
Lithology: Lime / Shale  
Cum rot hrs: 351.75 Hrs.

\*\*\*\*\*  
Bit #6: 7 7/8", Smith, M616, Ser #: JE3939, 6-16's, In at 9874'  
Make 220' in 20.00 Hrs, ROP--11'/hr, WOB--15K, RPM--65

Mud: Wt.--9.0, Vis--35, PH--9.5, WL--12cc, Chlorides--35000, Ca--1600

Pumps: #1: TMF 1000, 6.5" x 9" x 000 SPM, GPM--000, Pump Pressure--2250 psi  
#2: TMF 1000, 6.5" x 9" x 111 SPM, GPM--405, GPM Total--405

BHA #6: Bit, Bit Sub, Tele-Drift, 20-6.5" DCs, 20 Jts HWDP, XO  
Length: 1241.56' BHA #5 Hrs: 20.00 Total DC Hrs Since Insp--351.75

String WT: Rot. Off Bottom: 185K, PU--235K, Slack Off--162K

Deviation: 27 deg at 5800'.

**OPERATIONS:**

**HOURS**

0600--1800	Clean pits w/ super vac truck.	12.00
1800--0600	Rig down Saxon Rig #109. Trucks set to move on Tuesday, 9/13/2011	12.00
		=====
<b>Total Hours:</b>		<b>24.00</b>

**COMMENTS:**

Finish ND BOP's. Jet and clean pits. **Rig Released at 1800 hrs, 9/11/2011.** Trucks are set to move Saxon Rig #109 to University 5-40 #5 on Tuesday, 9/13/2011. **Final Report.**

**SEE P&A Report Below:**

# **PLUG AND ABANDON**

## **CEMENT DETAILS**

UNIVERSITY 8-4 #9  
SEPTEMBER 11, 2011

### **Plug and Abandon Well As Follows with Halliburton:**

Rig up Halliburton and spot cement plugs as follows:

Plug #1:	10065--9320'	235 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 10 sx
Plug #2:	9320--8640'	235 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 10 sx
Plug #3:	8640--7958'	285 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 23 sx
Plug #4:	7958--7332'	285 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 14 sx
Plug #5:	7332--6707'	285 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 56 sx
Plug #6:	6707--5445'	285 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 56 sx
Plug #7:	5445--4445'	285 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 48 sx

Circulate between each plug and circ cement to the surface after each plug.

Plug #8:	4445--2992'	260 sx HalCem "C" + 5% Salt	Yld--2.12 cu ft, Wt--12.4#	Circ 8 sx
Plug #9:	2992--1445'	260 sx HalCem "C" + 5% Salt	Yld--2.12 cu ft, Wt--12.4#	Circ 48 sx
Plug #10:	1445'--60'	260 sx HalCem "C" + 5% Salt	Yld--2.12 cu ft, Wt--12.4#	Circ 10 sx
Plug #11:	60--Surface	42 Sx HalCem "H"	Yld--1.19 cu ft, Wt--15.6#	Circ 10 sx

Circulate between each plug and circ cement to the surface after each plug.

Cap plug from 60' to the surface with 42 sx HalCem "H" and circulate 10 sx cement.  
Start plugging well at 1800 hrs, 9/9/2011 and Final Surface Plug set at 0145 hrs, 9/11/2011.

Wash through BOP and wellhead. ND BOP's. Cut off 13 3/8", 8 5/8" and remove wellheads.

Permission to plug and abandon well was given by Danny Miles, Tx RRC and given Job #10277 at approx 1045 hrs, CDT on 9/8/2011.

Saxon Rig #109 Released at 1800 Hrs, 9-11-2011.