

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/15/2012  
 Report No: 1

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 0.00  
 Today's MD: 55 ft Progress: 0 ft Ground Elev: 3,056.40 ft Daily Cost: \$180,017  
 Prev MD: Rot Hrs Today: 0.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$180,017  
 PBMD: Avg ROP Today: 0.0 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: @ Lithology:

Current Ops:

24-Hr Summary: INSTALL TUBING HEAD,R/D ON THE CHLOE #6 & MIRU ON THE CHLOE #8

24-Hr Forecast: RR: 6/28/2012 ROL: 6/29/2012 R/U, REPAIR TOP DRIVE, & SPUD 12.25" SURFACE HOLE

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	16.000in @ 55ft	Str Wt Up/Dn:	/	Pump Rate:	0.0	Conn:	0	0	
Next Casing:	9.625in @ 1,850ft	Str Wt Rot:		Pump Press:	0	Trip:	0	0	
Last BOP Press Test:	06/03/2012	Torq Off Btm:				Backgr:	0	0	
Form Test/EMW:		Torq On Btm:							

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER									
Engineer:	IVAN OTERO									
Geologist:										
Oxy Personnel:	2									
Contractor Personnel:	11									
Total on Site:	13									

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
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BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI

MUD DATA - M-J SWACO	
Engineer: John Kruczek	MBT: 0.0 lbm/bbl
Sample From: In	pH: 8.5
Mud Type: Spud Mud	Pm / Pom: 0.00
Time / MD: 19:30 / .0	Pf / Mf: 0.1 / 0.3
Density @ Temp: 8.40 / 85	Chlorides: 300
Rheology Temp: 120	Ca+ / K+: 280 / 0
Viscosity: 26.00	CaCl2: 0.00
PV / YP: 1 / 1	Clom: 0.59
Gels 10s/10m/30m: 1 / 1 / 1	Lime: 0.00
API WL: 45.00	ES: 15.80
HTHP WL: 0.00	ECD: 0.00
Cake API / HTHP: 1.0 / .0	n / K: 0.00 / 0.000
Solids / Sol Corr: 0.00 / 0.00	Carbonate: 1 ppm
Oil / Water: 0.0 / 0.0	Bicarbonate: 0 ppm
Sand: 0.00	Form Loss: 0.0 / 0.0
Water Added: 0.0 bbl	Fluid Disch: /
Oil Added:	
LGS: 0.50 / 4.60	
VG Meter: 1@3 / 1@6 / 1@100 / 2@200 / 2@300 / 3@600	
Comments: TRANSFERRED ALL MUD CHEMICAL TO NEW LOCATION.	

LAST OR CURRENT BHA				
Component	OD	ID	Jts	Length

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Engineering Service	Each	1.00
Premix Pit	each	1.00

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 USA

Date: 06/15/2012  
 Report No: 1

**OPERATIONS**

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	1:00	1.00	31PRDR	WLHD	RWH	P	NIPPLE UP TUBING HEAD AND TEST TO 4000 PSI FOR 5 MINUTES TEST GOOD  RELEASE RIG @ 01:00 HRS
1:00	7:30	6.50	01MIRU	LOCMOV	RD	P	RIG DOWN RIG TO MOVE TO CHLOE #8
7:30	11:00	3.50	01MIRU	LOCMOV	MOVE	P	7:30 Safety meeting 25 people present, went over route to be used and power lines, talk about right to Stop the Job when anything does not look right. Communicate with drivers and swampers by good eye and hand signals, Horn usage (one forward and two honks when backing up) spotters to be used on all loads. 100% tied off when over four feet from ground and tag lines on all single pick loads. Watch pinch points and stay Hydrated 7:45 two loads of pipe baskets 8:00 Choke manifold off location 8:10 pipe wrangler off location 8:15 #1 mud pump motor off location 8:25 load of Collars, racks, pipe basket and #2 mud pump motor off 8:35 BOP and pipe basket off and truck #450 re-placed bridle 8:40 Gas Separator and Derrick laid down 9:00 Mud pit and Shaker pit off location 9:20 Silo off location 9:25 roughneck lost hard hat, stopped job ask him to put it on, he did 9:40 second Silo and load of pumps and misc off location 9:50 Top House, Diesel tank and load of pipe off location 10:15 Pre-mix mud pit and Generator off location 10:40 Rig mgr trailer off location 11:00 Derrick and Sub off location
11:00	14:30	3.50	01MIRU	LOCMOV	MOVE	P	11:00 miscellaneous load, electrical unit, mud premix unit, and crew quarters arrive 11:15 forklift move suspended load without tagline (17. Tool Used Correctly) 11:30 substructure and mast arrive at location  12:00 sub structure set 12:15 Safety Meeting - procedures and policies that promote safe work site conduct and labor were reviewed since prior meeting. Among the topics covered was; PPE, horn blasts, tag lines, 100% tie off above 4 ft., buffer zones, speed limits, JSAs, and everyone's stop work authority. 19 workers present. SO, DSM, Truck Pusher shared in the review.  12:45 doghouse set mud pit set mast pinned 13:15 mud pump set and BOP set 13:30 electrical unit sent 13:45 fuel pod and mud pump and pipe wrangler set  14:30 rig move complete without accident or incident
14:30	17:00	2.50	01MIRU	LOCMOV	RU	P	R/U HYDRAULIC AND ELECTRICAL LINES  RIG UP BACK YARD, HOOK UP FLOW LINES, GEL HOPPERS SET UP ON LOCATION, FILL PITS WITH WATER SAFETY BREAK: STAYING HYDRATED
17:00	17:30	0.50	01MIRU	LOCMOV	RU	P	RAISE DERRICK
17:30	21:30	4.00	01MIRU	LOCMOV	RU	P	CONTINUE TO RIG UP, PUMPS, WATER LINES ETC  SAFETY BREAK: TEAM WORK
21:30	0:00	2.50	01MIRU	LOCMOV	RU	P	PLACE BHA ON RACKS AND CONTINUE TO RIG UP
Total Time		24.00					

Safety Incident?	N	Days since Last RI:	161.00	Weather Comments:
Environ Incident?	N	Days since Last LTA:	524.00	
Incident Comments:				

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

**Date:** 06/15/2012  
**Report No:** 1

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: RIGGING UP  
DAYS WORKED WITH NO LTA: 523  
DAYS SINCE LAST RI: 161  
TOTAL DAILY SAFETY MEETINGS:4  
TOTAL DAILY NEAR MISSES: 0  
TOTAL DAILY STOP CARDS: 2  
TOTAL DAILY JSA'S REVIEWED: 14  
TOTAL PERMITS TO WORK: 1  
TOTAL LOTO'S: 0  
PRE-SPUD RIG INSPECTIONS: 0  
POWER LINE CHECK LIST: 1  
TOTAL SWA'S : 0  
DAY CREW SHORT 0 MAN  
NIGHT CREW SHORT 0MAN  
TOTAL NPT TIME = 97.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE WORKING OVER 4 FT WITHOUT BEING TIED OFF, STOPPED HIM, WARNED HIM OF THE HAZARDS & INFORMED HIM OF OXY POLICY, HE COMPLIED & JOB CONTINUED WITHOUT INCIDENT

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**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/16/2012  
 Report No: 2

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 0.25  
 Today's MD: 153 ft Progress: 98 ft Ground Elev: 3,056.40 ft Daily Cost: \$41,708  
 Prev MD: 55 ft Rot Hrs Today: 2.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$221,725  
 PBMD: Avg ROP Today: 49.0 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: @ Lithology:

Current Ops:

24-Hr Summary: R/U, REPAIR TOP DRIVE AND SPUD THE CHLOE #8, L/C @ 75' SPOTTED 30 PPB LCM PILL ESTABLISHED CIRC AND DRILLED TO 153'

24-Hr Forecast: RR: 6/28/2012 ROL: 6/29/2012 DRILL 12.25" SURFACE HOLE TO 1850, TOH AND RUN 9 5/8" CASING

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	16.000in @ 55ft	Str Wt Up/Dn:	59.0/ 51.0 kip	Pump Rate:	351.7	Conn:	0	0	
Next Casing:	9.625in @ 1,850ft	Str Wt Rot:	54.0 kip	Pump Press:	890	Trip:	0	0	
Last BOP Press Test:	06/03/2012	Torq Off Btm:	2,000.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:		Torq On Btm:	5,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER									
Engineer:	IVAN OTERO									
Geologist:										
Oxy Personnel:	2									
Contractor Personnel:	11									
Total on Site:	13									

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
1	12.250	ULTERRA DRILLING T	U519M	13804	M323	7x11	55		--	--

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
1	2.00	2.00	98	98	49.0	49.0	3.0/7.0	45/100	0.650	235	173.7	0.4

**MUD DATA - M-I SWACO**

Engineer: John Kruczek  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 23:50 / 158.0  
 Density @ Temp: 8.70 / 85  
 Rheology Temp: 120  
 Viscosity: 40.00  
 PV / YP: 9 / 10  
 Gels 10s/10m/30m: 7 / 12 / 15  
 API WL: 17.00  
 HTHP WL: 0.00  
 Cake API / HTHP: 2.0 / .0  
 Solids / Sol Corr: 0.10 / 0.00  
 Oil / Water: 0.0 / 0.0  
 Sand: 1.75  
 Water Added: 420.0 bbl  
 Oil Added:  
 LGS: 2.70 / 24.30

MBT: 0.0 lbm/bbl  
 pH: 8.5  
 Pm / Pom: 0.00  
 Pf / Mf: 0.1 / 0.7  
 Chlorides: 1,500  
 Ca+ / K+: 320 / 0  
 CaCl2: 0.00  
 Clom: 0.56  
 Lime: 0.00  
 ES: 15.80  
 ECD: 16.19  
 n / K: 0.00 / 0.000  
 Carbonate: 1 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 30.0 / 30.0  
 Fluid Disch: /

VG Meter: 7@3 / 8@6 / 12@100 / 15@200 / 19@300 / 28@600

Comments: MIXED 500BBLs 25PPB LCM SPUD MUD AND TRANSFERRED TO STEEL PITS. RESUMED DRILLING WITH FULL RETURNS. PLAN TO PUMP 15PPB LCM SWEEPS EVERY 60FT. OR AS NEEDED.

**LAST OR CURRENT BHA**

BHA No: 1 Bit No: 1 MD In: 55 ft

Purpose: MD Out:

Component	OD	ID	Jts	Length
HWDP	4.500	2.870	12	364.42
DRILL COLLAR	6.250	3.000	12	352.57
CROSSOVER	8.000	2.250	1	2.90
SPIRAL DRILL COLLAR	8.000	3.000	2	62.28
MWD TOOL	8.000	3.000	1	4.92
INTEGRAL BLADE STABILIZER	11.750	2.870	1	6.25
SPIRAL DRILL COLLAR	8.000	3.000	1	30.80
INTEGRAL BLADE STABILIZER	12.000	2.870	1	7.28
SHOCK SUB	8.000	2.500	1	12.24
PDC BIT	12.250	0.000	1	1.50

Total Length: 845.16 ft Wt below Jars:

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Cedar Fiber Chip Seal	Bag, 40 lb	47.00
Cottonseed Hulls	Bag, 50 lb	89.00
Defoam A	Can, 5 gal	3.00
Engineering Service	Each	1.00
Fiber Seal	Bag, 40 lb	55.00
M-I Gel Bulk	Ton	10.75
M-I X II Fine	Bag, 25 lb	20.00
Pecan Nut Plug CSE	Bag, 50 lb	32.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	10.00

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/16/2012  
**Report No:** 2

**OPERATIONS**

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
0:00	4:00	4.00	01MIRU	LOCMOV	RU	P	CONTINUE TO RIG UP. TOP DRIVE NOT FUNCTIONING PROPERLY, MECHANIC IN ROUTE FROM HOUSTON ETA 9:00 AM.  REPLACE SEATS AND VALVES IN #1 PUMP	
4:00	6:00	2.00	01MIRU	LOCMOV	RU	P	CONTINUE TO RIG UP. TOP DRIVE NOT FUNCTIONING PROPERLY  SAFETY BREAK: STAYING FOCUSED LAST TWO HRS OF TOUR	
6:00	10:30	4.50	01MIRU	LOCMOV	RU	PT	CONTINUE TO RIG UP. TOP DRIVE NOT FUNCTIONING WAITING MECHANIC	
10:30	14:00	3.50	01MIRU	LOCMOV	RU	PT	WORKING ON TOP DRIVE	
14:00	17:00	3.00	14SUDR	DRILL	ROTVR	P	DID RIG INSPECTION ACCEPED RIG 14:00. MAKE UP BIT AND START IN HOLE WITH 12 1/4" BIT AND BHA  DRILL 12 1/4" SURFACE HOLE FROM 55' TO 75' WOB 5 K , RPM 25, FLOW RATE 350 GPM, PUMP PSI 250 . 2-5K TORQUE ON BTM.  LOST RETURNS AT 75'  SAFETY BREAK: P/U BHA	
17:00	18:00	1.00	14SUDR	LCIRC	LCM	PT	PULL INTO CONDUCTOR AND MIX 30 PPB LCM PILL & PUMP. HOLE FULL	
18:00	22:00	4.00	14SUDR	LCIRC	LCM	PT	BUILDING VOLUME TO RESUME DRILLING. CIRCULATING WITH NO LOSSES  BUILT 500 BBLs OF VOLUME WITH 42 SEC/QT VISCOSITY & LCM @ 24 PPB  SAFETY BREAK: MIXING MUD	
22:00	0:00	2.00	14SUDR	DRILL	ROTVR	P	DRILL 12 1/4" SURFACE HOLE FROM 75' TO 153 ',78' AVG ROP 39FPH WOB 5-10K. TD RPM 95-100, FLOW RATE 230 GPM, PUMP PSI 400 . 4K ON BTM.  CIRCULATING STEEL PITS WITH 20-24 PPB LCM  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 90' WITH LCM IN IT ADD 1-2 SOAP STICKS, 1 CUP POLY PLUS EVERY CONNECTION ADD MF-55 AT FLOWLINE  SAFETY BREAK: MAKING CONNECTIONS	
Total Time		24.00						

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	162.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	525.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: RIGGING UP  
 DAYS WORKED WITH NO LTA: 525  
 DAYS SINCE LAST RI: 162  
 TOTAL DAILY SAFETY MEETINGS:4  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 2  
 TOTAL DAILY JSA'S REVIEWED: 14  
 TOTAL PERMITS TO WORK: 0  
 TOTAL LOTO'S: 0  
 PRE-SPUD RIG INSPECTIONS: 1  
 POWER LINE CHECK LIST: 1  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 97.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE USING IMPROPER TOOL FOR THE JOB STOPPED HIM AND INFORMED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/17/2012  
 Report No: 3

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 1.25  
 Today's MD: 1287 ft Progress: 1134 ft Ground Elev: 3,056.40 ft Daily Cost: \$45,093  
 Prev MD: 153 ft Rot Hrs Today: 21.50 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$266,818  
 PBMD: Avg ROP Today: 52.7 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: @ Lithology:

Current Ops:

24-Hr Summary: DRILLED 12 1/4" SURFACE HOLE FROM 153' TO 1287'

24-Hr Forecast: RR: 6/28/2012 ROL: 6/29/2012 DRILL 12 1/4" SURFACE HOLE TO 1844 FT, TOH, RUN 9 5/8" CASING TO 1844 FT AND CEMENT AS PER PRO

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	16.000in @ 55ft	Str Wt Up/Dn:	94.0/ 78.0 kip	Pump Rate:	668.3	Conn:	0	0	
Next Casing:	9.625in @ 1,850ft	Str Wt Rot:	88.0 kip	Pump Press:	1800	Trip:	0	0	
Last BOP Press Test:	06/03/2012	Torq Off Btm:	2,500.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:		Torq On Btm:	7,500.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00
Engineer:	IVAN OTERO									
Geologist:										
Oxy Personnel:	2									
Contractor Personnel:	11									
Total on Site:	13									

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
1	12.250	ULTERRA DRILLING T	U519M	13804	M323	7x11	55		--	--

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
1	21.50	23.50	1134	1232	52.7	52.4	10.0/15.0	80/100	0.650	877	330.1	2.9

**MUD DATA - M-I SWACO**

Engineer: John Kruczek  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 22:00 / 1,000.0  
 Density @ Temp: 9.00 / 90  
 Rheology Temp: 120  
 Viscosity: 37.00  
 PV / YP: 6 / 17  
 Gels 10s/10m/30m: 16 / 18 / 21  
 API WL: 22.00  
 HTHP WL: 0.00  
 Cake API / HTHP: 2.0 / .0  
 Solids / Sol Corr: 0.10 / 0.00  
 Oil / Water: 0.0 / 0.0  
 Sand: 1.50  
 Water Added: 100.0 bbl  
 Oil Added:  
 LGS: 4.90 / 44.60

MBT: 0.0 lbm/bbl  
 pH: 8.5  
 Pm / Pom: 0.00  
 Pf / Mf: 0.1 / 0.8  
 Chlorides: 1,800  
 Ca+ / K+: 240 / 0  
 CaCl2: 0.00  
 Clom: 0.33  
 Lime: 0.00  
 ES: 31.60  
 ECD: 9.97  
 n / K: 0.00 / 0.000  
 Carbonate: 2 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 0.0 / 30.0  
 Fluid Disch: /

VG Meter: 16@3 / 17@6 / 19@100 / 21@200 / 23@300 / 29@600

Comments: CONTINUE CIRC. STEEL PITS. CURRENTLY ADDING STARCH TO CONTROL FLUID LOSS. ONCE AT TD PUMP HIGH VIS SWEEP AND CIRC. PRIOR TO TOOH.

**LAST OR CURRENT BHA**

BHA No: 1 Bit No: 1 MD In: 55 ft

Purpose: MD Out:

Component	OD	ID	Jts	Length
HWDP	4.500	2.870	12	364.42
DRILL COLLAR	6.250	3.000	12	352.57
CROSSOVER	8.000	2.250	1	2.90
SPIRAL DRILL COLLAR	8.000	3.000	2	62.28
MWD TOOL	8.000	3.000	1	4.92
INTEGRAL BLADE STABILIZER	11.750	2.870	1	6.25
SPIRAL DRILL COLLAR	8.000	3.000	1	30.80
INTEGRAL BLADE STABILIZER	12.000	2.870	1	7.28
SHOCK SUB	8.000	2.500	1	12.24
PDC BIT	12.250	0.000	1	1.50

Total Length: 845.16 ft Wt below Jars:

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Cottonseed Hulls	Bag, 50 lb	8.00
Defoam A	Can, 5 gal	20.00
Engineering Service	Each	1.00
M-I Gel Bulk	Ton	6.00
Poly-Plus	Can, 5 gal	1.00
Premix Pit	each	1.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/17/2012  
Report No: 3

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	2:00	2.00	14SUDR	DRILL	ROTVR	P	<p>DRILL 12 1/4" SURFACE HOLE FROM 153' TO 273', 120' AVG ROP 60FPH WOB 5-10K. TD RPM 95-100, FLOW RATE 370 GPM, PUMP PSI 830 . TORQUE 5K ON BTM.</p> <p>CIRCULATING STEEL PITS WITH 20-24 PPB LCM</p> <p>PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 90' WITH 20 PPB LCM ADD 1-2 SOAP STICKS, 1 CUP POLY PLUS EVERY CONNECTION</p> <p>SAFETY BREAK: BODY PLACEMENT</p>
2:00	2:30	0.50	14SUDR	RIGMT	SRVRIG	P	RIG SERVICE
2:30	3:00	0.50	14SUDR	CIRC	CNDFLD	P	MUD SYSTEM FOAMED UP ADDED DEFOAMER AND AIRED OUT PUMP
3:00	4:00	1.00	14SUDR	DRILL	ROTVR	P	<p>DRILL 12 1/4" SURFACE HOLE FROM 273' TO 362', 89' AVG ROP 89 FPH WOB 5-10K. TD RPM 95-100, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.</p> <p>CIRCULATING STEEL PITS WITH 20-24 PPB LCM &amp; 40 SEC/QT VISCOSITY MUD WEIGHT @ 8.8 PPG</p> <p>PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 90' WITH 20 PPB LCM ADD 1-2 SOAP STICKS, 1 CUP POLY PLUS EVERY CONNECTION ADD MF-55 AT FLOWLINE</p> <p>SAFETY BREAK: STAYING FOCUSED LAST TWO HRS OF TOUR</p>
4:00	5:00	1.00	14SUDR	CIRC	CNDFLD	P	AIRED UP MUD HAD TO CONDITION MUD AND PRIME PUMP
5:00	6:00	1.00	14SUDR	DRILL	ROTVR	P	<p>DRILL 12 1/4" SURFACE HOLE FROM 362' TO 450', 89' AVG ROP 90 FPH WOB 5-10K. TD RPM 95-100, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.</p> <p>CIRCULATING STEEL PITS WITH 20-24 PPB LCM &amp; 39 SEC/QT VISCOSITY MUD WEIGHT @ 8.8 PPG</p> <p>PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 90' WITH 20 PPB LCM ADD 1-2 SOAP STICKS, 1 CUP POLY PLUS EVERY CONNECTION ADD MF-55 AT FLOWLINE</p>
6:00	10:00	4.00	14SUDR	DRILL	ROTVR	PT	<p>DRILL 12 1/4" SURFACE HOLE FROM 450 TO 560', 110' AVG ROP 36 FPH WOB 5-10K. TD RPM 90, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.</p> <p>CIRCULATING STEEL PITS WITH 20-24 PPB LCM &amp; 39 SEC/QT VISCOSITY MUD WEIGHT @ 8.8 PPG</p> <p>PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 20 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION</p> <p>PUMP #2 DOWN</p> <p>UNABLE TO RETRIEVE SURVEYS</p>
10:00	14:00	4.00	14SUDR	DRILL	ROTVR	PT	<p>DRILL 12 1/4" SURFACE HOLE FROM 560 TO 753', 193' AVG ROP 50 FPH WOB 5-10K. TD RPM 90, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.</p> <p>CIRCULATING STEEL PITS WITH 20-24 PPB LCM &amp; 39 SEC/QT VISCOSITY MUD WEIGHT @ 8.8 PPG</p> <p>PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION</p> <p>SAFETY BREAK: SIGNS OF HEAT STROKE</p> <p>PUMP #2 DOWN</p> <p>UNABLE TO RETRIEVE SURVEYS</p>

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/17/2012  
**Report No:** 3

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
14:00	18:00	4.00	14SUDR	DRILL	ROTVR	PT	DRILL 12 1/4" SURFACE HOLE FROM 753 TO 967 ',214' AVG ROP 53 FPH WOB 5-10K. TD RPM 90, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 8.8 PPG  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  PUMP # 2 DOWN  SAFETY BREAK: SLIPS TRIPS & FALLS  UNABLE TO RETRIEVE SURVEYS	
18:00	19:30	1.50	14SUDR	DRILL	ROTVR	PT	DRILL 12 1/4" SURFACE HOLE FROM 967 TO 1034 ',67' AVG ROP 44FPH WOB 5-15K. TD RPM 90, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 8.8 PPG  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  PUMP # 2 DOWN	
19:30	20:00	0.50	14SUDR	RIGMT	REP	PT	BOTH PUMPS DOWN	
20:00	21:30	1.50	14SUDR	DRILL	ROTVR	PT	DRILL 12 1/4" SURFACE HOLE FROM 1034 TO 1095 ', 61' AVG ROP 40 FPH WOB 5-15K. TD RPM 90, FLOW RATE 370 GPM, PUMP PSI 900 . 5K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 9.0 PPG  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  PUMP # 2 DOWN  UNABLE TO RETRIEVE SURVEYS	
21:30	0:00	2.50	14SUDR	DRILL	ROTVR	P	DRILL 12 1/4" SURFACE HOLE FROM 1095' TO 1287 ', 192' AVG ROP 77 FPH WOB 5-15K. TD RPM 90, FLOW RATE 650GPM, PUMP PSI 1800 . 5K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 9.0 PPG 39 SEC/QT VISCOSITY  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  UNABLE TO RETRIEVE SURVEYS	
Total Time		24.00						

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	163.00
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	526.00
<b>Incident Comments:</b> No incidents reported last 24 hours.			

**Weather Comments:**

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

**Date:** 06/17/2012  
**Report No:** 3

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
DAYS WORKED WITH NO LTA: 526  
DAYS SINCE LAST RI: 163  
TOTAL DAILY SAFETY MEETINGS:5  
TOTAL DAILY NEAR MISSES: 0  
TOTAL DAILY STOP CARDS: 2  
TOTAL DAILY JSA'S REVIEWED: 15  
TOTAL PERMITS TO WORK: 0  
TOTAL LOTO'S: 0  
PRE-SPUD RIG INSPECTIONS:0  
POWER LINE CHECK LIST: 1  
TOTAL SWA'S : 0  
DAY CREW SHORT 0 MAN  
NIGHT CREW SHORT 0MAN  
TOTAL NPT TIME = 126 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE MIXING MUD WITHOUT RESPIRATOR STOPPED HIM, WARNED HIM OF THE HAZARDS AND JOB CONTINUED WITHOUT INCIDENT

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**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/18/2012  
 Report No: 4

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 2.25  
 Today's MD: 1844 ft Progress: 557 ft Ground Elev: 3,056.40 ft Daily Cost: \$55,139  
 Prev MD: 1287 ft Rot Hrs Today: 8.50 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$317,468  
 PBMD: Avg ROP Today: 65.5 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: @ Lithology:

Current Ops:

24-Hr Summary: DRILL 12 1/4" SURFACE HOLE TO 1844', L/D BHA #1 & RAN 9 5/8" SURFACE CASING TO 1844'

24-Hr Forecast: RR: 6/28/2012 ROL: 6/29/2012 R/U HALLIBURTON & CEMENT AS PER PROG, N/U, TIH, PERFORM CHOKE DRILL AND FIT TEST AND DRILL !

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	16.000in @ 55ft	Str Wt Up/Dn:	98.0/ 82.0 kip	Pump Rate:	659.5	Conn:	0	0	
Next Casing:	9.625in @ 1,850ft	Str Wt Rot:	90.0 kip	Pump Press:	1900	Trip:	0	0	
Last BOP Press Test:	06/03/2012	Torq Off Btm:	5,000.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:		Torq On Btm:	9,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00
Engineer:	IVAN OTERO									
Geologist:										
Oxy Personnel:	2									
Contractor Personnel:	11									
Total on Site:	13									

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
1	12.250	ULTERRA DRILLING T	U519M	13804	M323	7x11	55	1844	1-1-NO-G	1-I-NO-TD

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
1	8.50	32.00	557	1789	65.5	55.9	10.0/20.0	80/100	0.650	857	321.0	2.8

**MUD DATA - M-J SWACO**

Engineer: John Kruczek  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 15:30 / 1,844.0  
 Density @ Temp: 9.50 / 90  
 Rheology Temp: 120  
 Viscosity: 46.00  
 PV / YP: 9 / 20  
 Gels 10s/10m/30m: 14 / 19 / 22  
 API WL: 11.00  
 HTHP WL: 0.00  
 Cake API / HTHP: 2.0 / .0  
 Solids / Sol Corr: 0.10 / 0.00  
 Oil / Water: 0.0 / 0.0  
 Sand: 1.00  
 Water Added: 0.0 bbl  
 Oil Added:  
 LGS: 8.60 / 78.60

MBT: 0.0 lbm/bbl  
 pH: 8.0  
 Pm / Pom: 0.00  
 Pf / Mf: 0.1 / 0.6  
 Chlorides: 2,100  
 Ca+ / K+: 240 / 0  
 CaCl2: 0.00  
 Clom: 0.39  
 Lime: 0.00  
 ES: 100.20  
 ECD: 10.11  
 n / K: 0.00 / 0.000  
 Carbonate: 2 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 0.0 / 30.0  
 Fluid Disch: /

VG Meter: 14@3 / 15@6 / 20@100 / 25@200 / 29@300 / 38@600

Comments: COMPLETED STARCH ADDITIONS TO ACTIVE SYSTEM. ONCE AT TD PUMPED HIGH-VIS GEL SWEEPS AND CIRCULATED PRIOR TO TOOH. NO ADDITIONAL FLUID TREATMENT AT THIS TIME.

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Defoam A	Can, 5 gal	3.00
Engineering Service	Each	1.00
Federal Barite	Bag, 100 lb	32.00
Myacide GA25	Can, 5 gal	6.00
My-Lo-Jel	Bag, 50 lb	35.00
Poly-Plus	Can, 5 gal	1.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	3.00

**LAST OR CURRENT BHA**

BHA No: 1	Bit No: 1	MD In: 55 ft		
Purpose:		MD Out: 1844 ft		
Component	OD	ID	Jts	Length
HWDP	4.500	2.870	12	364.42
DRILL COLLAR	6.250	3.000	12	352.57
CROSSOVER	8.000	2.250	1	2.90
SPIRAL DRILL COLLAR	8.000	3.000	2	62.28
MWD TOOL	8.000	3.000	1	4.92
INTEGRAL BLADE STABILIZER	11.750	2.870	1	6.25
SPIRAL DRILL COLLAR	8.000	3.000	1	30.80
INTEGRAL BLADE STABILIZER	12.000	2.870	1	7.28
SHOCK SUB	8.000	2.500	1	12.24
PDC BIT	12.250	0.000	1	1.50

Total Length: 845.16 ft Wt below Jars:

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/18/2012  
 Report No: 4

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	1:30	1.50	14SUDR	DRILL	ROTVR	P	DRILL 12 1/4" SURFACE HOLE FROM 1287' TO 1415', 128' AVG ROP 85 FPH WOB 5-15K. TD RPM 90, FLOW RATE 650GPM, PUMP PSI 1800 . 8K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 9.0 PPG 39 SEC/QT VISCOSITY  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  SAFETY BREAK: PREVENTATIVE MAINTENANCE
1:30	2:00	0.50	14SUDR	RIGMT	REP	PT	GRABBER BOX MALFUNCTIONED WHILE MAKING A CONNECTION
2:00	6:00	4.00	14SUDR	DRILL	ROTVR	P	DRILL 12 1/4" SURFACE HOLE FROM 1415' TO 1700', 285' AVG ROP 71 FPH WOB 5-15K. TD RPM 90, FLOW RATE 650GPM, PUMP PSI 1800 . 8K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 9.0 PPG 39 SEC/QT VISCOSITY  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  UNABLE TO RETRIEVE SURVEYS
6:00	8:30	2.50	14SUDR	DRILL	ROTVR	P	DRILL 12 1/4" SURFACE HOLE FROM 1700' TO 1844', 144' AVG ROP 58FPH WOB 5-15K. TD RPM 90, FLOW RATE 650GPM, PUMP PSI 1800 . 8K ON BTM.  CIRCULATING STEEL PITS MUD WEIGHT @ 9.0 PPG 39 SEC/QT VISCOSITY  PUMP 25 BBL 60+ VIS GEL SWEEP EVERY 60' WITH 10 PPB LCM, 1 CUP POLY PLUS EVERY CONNECTION  UNABLE TO RETRIEVE SURVEYS
8:30	9:30	1.00	14SUDR	CIRC	CNDHOL	P	PUMP VISCOUS SWEEP AND CIRCULATE HOLE CLEAN
9:30	16:00	6.50	14SUDR	TRIP	DRILL	P	TRIP OUT OF HOLE TO RUN 9 5/8" CASING  TIGHT SPOT@ 1751-1731,1590-1571  LAY DOWN 8" DC STABILIZERS AND BIT  HAVE TROUBLE WITH HYDRAULIC PUMP SYSTEM  SAFETY BREAK: LAYING DOWN BHA
16:00	17:00	1.00	14SUDR	OTHR	OTHER	P	CLEAN RIG FLOOR
17:00	18:00	1.00	14SUDR	CSG	RIGUP	P	PJSM WITH RIG CREW AND CASING CREW RIG UP CASING RUNNING EQUIPMENT
18:00	22:00	4.00	14SURC	CSG	RUNCSG	P	RUN 9 5/8" 36# J55 LTC CASING AS FOLLOWS:  ? Guide Shoe – Weatherford Model 112 ? 1 joint 9?" 36# J55 LTC casing ? Float Collar - Weatherford Model 402E PDC Drillable ? 9?" 36# J55 LTC casing to surface ? Weatherford bow spring centralizers – Weatherford Model B110 as follows: ? 1 bow spring on collar stop 10' above shoe ? 1 bow spring on coupling above float collar ? 1 bow spring every 3 joints to cellar on couplings ? Total bow spring centralizers needed = 17 ? Casing makeup torque: ? Minimum: 3400 ft-lbs ? OPTIMUM: 4530 ft-lbs ? Maximum: 5660 ft-lbs  TIGHT AT 177',265',665',830,1110',
22:00	22:30	0.50	14SURC	CSG	RUNCSG	P	CONTINUE TO RUN CASING FROM 1110'-1628  WASH DOWN JOINT #36 TO 1452'  SAFETY BREAK: TEAM WORK
22:30	23:30	1.00	14SURC	CSG	RUNCSG	PT	LAY DOWN JOINT # 37 AND CHANGE OUT COLLAR ON JOINT # 36 DUE TO CROSS THREAD P/U JOINT #43  SAFETY BREAK: PINCH POINTS

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/18/2012  
 Report No: 4

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
23:30	0:00	0.50	14SURC	CSG	RUNCSG	P	CONTINUE TO RUN CASING TO 1844'
Total Time		24.00					

Safety Incident? N Days since Last RI: 164.00 Weather Comments:

Environ Incident? N Days since Last LTA: 527.00

## Incident Comments:

No incidents reported last 24 hours.

## Other Remarks:

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED

DAYS WORKED WITH NO LTA: 527

DAYS SINCE LAST RI: 164

TOTAL DAILY SAFETY MEETINGS:4

TOTAL DAILY NEAR MISSES: 0

TOTAL DAILY STOP CARDS: 2

TOTAL DAILY JSA'S REVIEWED: 14

TOTAL PERMITS TO WORK: 0

TOTAL LOTO'S: 0

PRE-SPUD RIG INSPECTIONS:0

POWER LINE CHECK LIST: 0

TOTAL SWA'S : 0

DAY CREW SHORT 0 MAN

NIGHT CREW SHORT 0MAN

TOTAL NPT TIME = 127.5 HOURS

BEST STOP CARD: OBSERVED THIRD PARTY EMPLOYEE NOT WEARING PROPER PPE STOPPED HIM, WARNED HIM OF THE HAZARDS AND INFORMED HIM OF OXY POLICY, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENTS



## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/19/2012  
Report No: 5

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	1:00	1.00	14SURC	CSG	RUNCSG	P	TAG BOTTOM WITH CASING @ 1844'
1:00	1:30	0.50	14SURC	CIRC	CNDFLD	P	CIRCULATE & CONDITION MUD
1:30	2:00	0.50	14SURC	SAFE	PJSM	P	PJSM WITH HALLIBURTON AND RIG UP EQUIPMENT
2:00	4:00	2.00	14SURC	CMT	PRIM	P	CEMENT 9 5/8" CASING AS PER PROG  Fluid 1: 10 bbl freshwater spacer Fluid 2: 20 bbl gel pill Fluid 3: Lead with 360 sks Premium Plus Cement Fluid Weight 13.50 lbm/gal 94 lbm/sk Premium Plus Cement (Cement) Slurry Yield: 1.76 ft <sup>3</sup> /sk 4 % Bentonite (Light Weight Additive) Total Mixing Fluid: 9.1 Gal/sk 2 % Calcium Chloride (Accelerator) Top of Fluid: 0 ft 2 lbm/sk Kol-Seal (Lost Circulation Additive) Calculated Fill: 1229.10 ft Volume: 113.00 bbl Calculated Sacks: 453.67 sks Proposed Sacks: 460 sks Estimated Slurry Properties: Thickening Time: 03:30 Compressive Strengths @ 80 °F 24:00 1208 psi 48:00 1615 psi 72:00 1750 psi Fluid 4: Tail-in with 300 sks Premium Plus Cement Fluid Weight 14.80 lbm/gal 94 lbm/sk Premium Plus Cement (Cement) Slurry Yield: 1.36 ft <sup>3</sup> /sk 2 % Calcium Chloride (Accelerator) Total Mixing Fluid: 6.27 Gal/sk 2 lbm/sk Kol-Seal (Lost Circulation Additive) Top of Fluid: 1229.10 ft Calculated Fill: 620.90 ft Volume: 72.45 bbl Calculated Sacks: 300 sks Proposed Sacks: 300 sks Estimated Slurry Properties: Thickening Time: 02:30 Compressive Strengths @ 80 °F 24:00 1608 psi 48:00 2172 psi 72:00 2500 psi Fluid #5 fresh water 139 bbls (displacement)  74 bbls of cement to surface 236 sacks Floats held 1.5 bbls back
4:00	4:30	0.50	14SURC	CMT	RIGUP	P	HOLD PJSM & RIG DOWN HALLIBURTON
4:30	5:00	0.50	14SURC	SAFE	PJSM	P	HOLD PJSM WITH ALL CREWS BEFORE WELD ON AND NIPPLE UP
5:00	6:00	1.00	14SURC	WLHD	RWH	P	MAKE ROUGH CUT ON CONDUCTOR AND MAKE ROUGH CUT ON CASING. LAY OUT CUT OFF.
6:00	8:00	2.00	14SURC	WLHD	RWH	P	FINAL CUT CASING, WELD ON WELL HEAD & TEST SAME TO 1414 PSI. TEST GOOD
8:00	11:00	3.00	14SURC	BOP	RUBOP	P	NIPPLE UP BOP COMPONENTS AS FOLLOWS:  11" 3K X 11" 5K ADAPTOR SPOOL 11" 5K MUD CROSS 11" 5K DOUBLE RAM 11" 5K ANNULAR 11" 3K ROTATING HEAD  INSTALL FLOWLINE
11:00	17:00	6.00	14SURC	BOP	TSTBOP	P	TEST ANNULAR 1500 PSI , BLIND AND PIPE RAMS TO 250 PSI LOW AND 2100 PSI HIGH AND HOLD FOR 5 MINUTES.  TEST ALL LINES AND SURFACE EQUIPMENT BACK TO MUD PUMP TO 250 PSI LOW AND 3500 PSI HIGH. AND HOLD FOR 5 MINUTES.  TEST 9 5/8" CASING TO 2100 PSI AND HOLD FOR 30 MIN.
17:00	17:30	0.50	14SURC	OTHR	OTHER	P	INSTALL WEAR BUSHING
17:30	18:00	0.50	14SURC	TRIP	BHA	P	MAKE UP BIT TO MOTOR

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/19/2012  
**Report No:** 5

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
18:00	22:00	4.00	14SURC	TRIP	BHA	P	TRIP IN HOLE WITH BHA # 2 AS FOLLOWS:  ? 8 3/4" PDC bit ? 1 – 6.5" Baker motor XL/LS (0.16 rev/gal) ? 1 – 6.5" DC ? Roller Reamer (1/8" UG) ? 1 – 6.5" DC ? Roller Reamer (1/8" UG) ? NOV FLO-DRIFT ? 12 – 6 1/2" Spiral DC ? 8 - 4 1/2" HWDP ? 1 X Jar (To be run in Tension) ? 5 - 4 1/2" HWDP  SURVEY AT 500 MISS FIRE SURVEY AT 1000 MISS FIRE SURVEY AT 1733 .50 DEG  SAFETY BREAK: PICKING UP BHA
22:00	0:00	2.00	14SURC	TRIP	BHA	P	CONTINUE TO TRIP IN HOLE AND TAG CEMENT @ 1797'
<b>Total Time</b>		24.00					

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	165.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	528.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**Other Remarks:**

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
 DAYS WORKED WITH NO LTA: 528  
 DAYS SINCE LAST RI: 165  
 TOTAL DAILY SAFETY MEETINGS:4  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 2  
 TOTAL DAILY JSA'S REVIEWED: 15  
 TOTAL PERMITS TO WORK: 1  
 TOTAL LOTO'S: 0  
 PRE-SPUD RIG INSPECTIONS:0  
 POWER LINE CHECK LIST: 0  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 127.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE WORKING OVER 4 FT WITHOUT BEING TIED OFF, STOPPED HIM , WARNED HIM OF THE HAZARDS AND INFORMED HIM OF OXY POLICY HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/20/2012  
 Report No: 6

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 4.25  
 Today's MD: 4445 ft Progress: 2601 ft Ground Elev: 3,056.40 ft Daily Cost: \$42,375  
 Prev MD: 1844 ft Rot Hrs Today: 22.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$453,081  
 PBMD: Avg ROP Today: 118.2 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: QUEEN@4,310.0 Lithology:

Current Ops:

24-Hr Summary: PERFORMED FIT TEST AND DRILLED 8 3/4" PRODUCTION HOLE TO 4445'

24-Hr Forecast: RR 6/28/2012 ROL 6/29/2012 DRILL 8 3/4" PRODUCTION HOLE

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	105.0/ 103.0 kip	Pump Rate:	639.0	Conn:	0	0	
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	104.0 kip	Pump Press:	2500	Trip:	0	0	
Last BOP Press Test:	06/19/2012	Torq Off Btm:	5,000.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	10,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER	2,600.0	1.80	0.00	2,599.78	25.0	0.0	25.0	0.15	0.15
Engineer:	IVAN OTERO	3,467.0	0.90	0.00	3,466.54	45.4	0.0	45.4	0.10	-0.10
Geologist:		1,733.0	0.50	0.00	1,732.98	7.6	0.0	7.6	0.03	0.03
Oxy Personnel:	2	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00
Contractor Personnel:	11									
Total on Site:	13									

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844		--	--

BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
2	22.00	22.00	260	2601	118.2	118.2	15.0/22.0	80/95	0.778	595	263.2	3.7

MUD DATA - M-I SWACO				LAST OR CURRENT BHA																																																															
Engineer: Brandon Smith	MBT:	0.0 lbm/bbl	BHA No: 2	Bit No: 2	MD In: 1844 ft																																																														
Sample From: In	pH:	10.0	Purpose:	MD Out:																																																															
Mud Type: Spud Mud	Pm / Pom:	0.00	<table border="1"> <thead> <tr> <th>Component</th> <th>OD</th> <th>ID</th> <th>Jts</th> <th>Length</th> </tr> </thead> <tbody> <tr> <td>HWDP</td> <td>4.500</td> <td>2.870</td> <td>5</td> <td>151.35</td> </tr> <tr> <td>DRILLING JAR</td> <td>6.500</td> <td>2.810</td> <td>1</td> <td>32.64</td> </tr> <tr> <td>HWDP</td> <td>4.500</td> <td>2.810</td> <td>8</td> <td>243.53</td> </tr> <tr> <td>DRILL COLLAR</td> <td>6.310</td> <td>2.870</td> <td>12</td> <td>352.57</td> </tr> <tr> <td>MWD TOOL</td> <td>6.500</td> <td>2.870</td> <td>1</td> <td>4.28</td> </tr> <tr> <td>WIRED ROLLER REAMER</td> <td>6.750</td> <td>2.870</td> <td>1</td> <td>7.62</td> </tr> <tr> <td>DRILL COLLAR</td> <td>6.250</td> <td>2.370</td> <td>1</td> <td>30.51</td> </tr> <tr> <td>WIRED ROLLER REAMER</td> <td>6.560</td> <td>2.370</td> <td>1</td> <td>7.35</td> </tr> <tr> <td>DRILL COLLAR</td> <td>6.250</td> <td>2.870</td> <td>1</td> <td>28.88</td> </tr> <tr> <td>POSITIVE DISPLACEMENT MOTOR</td> <td>6.500</td> <td>3.260</td> <td>1</td> <td>32.07</td> </tr> <tr> <td>PDC BIT</td> <td>8.750</td> <td></td> <td>1</td> <td>1.00</td> </tr> </tbody> </table>					Component	OD	ID	Jts	Length	HWDP	4.500	2.870	5	151.35	DRILLING JAR	6.500	2.810	1	32.64	HWDP	4.500	2.810	8	243.53	DRILL COLLAR	6.310	2.870	12	352.57	MWD TOOL	6.500	2.870	1	4.28	WIRED ROLLER REAMER	6.750	2.870	1	7.62	DRILL COLLAR	6.250	2.370	1	30.51	WIRED ROLLER REAMER	6.560	2.370	1	7.35	DRILL COLLAR	6.250	2.870	1	28.88	POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.07	PDC BIT	8.750		1	1.00
Component	OD	ID	Jts	Length																																																															
HWDP	4.500	2.870	5	151.35																																																															
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PDC BIT	8.750		1	1.00																																																															
Time / MD: 20:10 / 3,937.0	Pf / Mf:	0.4 / 3.0																																																																	
Density @ Temp: 9.60 / 100	Chlorides:	119,000																																																																	
Rheology Temp: 120	Ca+ / K+:	2,560 / 0																																																																	
Viscosity: 29.00	CaCl2:	0.00																																																																	
PV / YP: 1 / 1	Clom:	0.00																																																																	
Gels 10s/10m/30m: 1 / 1 / 1	Lime:	0.00																																																																	
API WL: 45.00	ES:	0.00																																																																	
HTHP WL: 0.00	ECD:	9.72																																																																	
Cake API / HTHP: .0 / .0	n / K:	0.00 / 0.000																																																																	
Solids / Sol Corr: 6.60 / 0.00	Carbonate:	8 ppm																																																																	
Oil / Water: 0.0 / 98.4	Bicarbonate:	0 ppm																																																																	
Sand: 0.10	Form Loss:	0.0 / 30.0																																																																	
Water Added: 0.0 bbl	Fluid Disch:	/																																																																	
Oil Added:																																																																			
LGS: 1.60 / 14.40																																																																			

VG Meter: 1@3 / 1@6 / 1@100 / 1@200 / 2@300 / 3@600  
 Comments: Drill out cement circ. reserve. Mix Lime to maintain pH above 10.0. Pump 60-80vis sweeps every 100-150ft. Trickle MF-55 at flowline. Plan to displace at approx. 5000ft. to Gel mud system. Mud Recipe: 300bbos freshwater; 2sxs Caustic; 6sxs Soda Ash and Gel to

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Engineering Service	Each	1.00
Lime	Bag, 50 lb	54.00
MF-55	Can, 5 gal	6.00
M-I Gel Bulk	Ton	20.00
Poly-Plus	Can, 5 gal	1.00
Premix Pit	each	1.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/20/2012  
 Report No: 6

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	0:30	0.50	14SURC	SAFE	PJSM	P	FILL ALL SURFACE EQUIPMENT AND PERFORM CHOKE DRILL
0:30	1:00	0.50	14SURC	TRIP	BHA	P	DRILL CEMENT
1:00	2:00	1.00	31PRDR	DRLOUT	DOCMT	P	DRILL 10 FT OF FORMATION, CIRCULATE HOLE CLEAN AND PERFORM FIT TEST  8.4MW X 362 PSI = 12.1 EMW TEST GOOD
2:00	6:00	4.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 1854', TO 2250', 396' AVG ROP 99', FPH WOB 15-20K. TD RPM 80+TOTAL BIT RPM 176, FLOW RATE 600 GPM, PUMP PSI 1700. TORQUE 5K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 8.5 VIS 28 PH 9 SAFETY BREAK: STAYING FOCUSED LAST 2 HRS OF HITCH  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
6:00	10:00	4.00	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 2250', TO , 2804' 554AVG ROP 139', FPH WOB 6.2 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 350 GPM, PUMP PSI 1700. TORQUE 5K ON BOTTOM  DRILLING WITH ONE PUMP  CIRCULATE INSIDE RESERVE  MUD WT 8.5 VIS 28 PH 9 SAFETY BREAK: STAYING FOCUSED FIRST DAY OF HITCH  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
10:00	12:30	2.50	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 2804', TO 3005' , 201 AVG ROP 80', FPH WOB 6.2 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 350 GPM, PUMP PSI 17. TORQUE 5K ON BOTTOM  DRILLING WITH ONE PUMP  CIRCULATE INSIDE RESERVE  MUD WT 8.5 VIS 28 PH 9 SAFETY BREAK: MAKING CONNECTIONS  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
12:30	15:00	2.50	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 3005', TO 3359' , 354' AVG ROP 141', FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 1900. TORQUE 8K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.0 VIS 28 PH 9 SAFETY BREAK: BODY PLACEMENT  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/20/2012  
**Report No:** 6

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
15:00	18:00	3.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 3359', TO 3649' , AVG ROP 96', FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 1900. TORQUE 8K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.2 VIS 28 PH 9  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90	
18:00	20:30	2.50	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 3649', TO 3989' , AVG ROP 136', FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 1900. TORQUE 9K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.4 VIS 28 PH 9  SAFETY BREAK: BUFFER ZONES  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90	
20:30	0:00	3.50	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 3989', TO 4445' , AVG ROP 130' , FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 1900. TORQUE 10K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.5 VIS 28 PH 9  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90	
Total Time		24.00						

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	166.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	529.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
 DAYS WORKED WITH NO LTA: 529  
 DAYS SINCE LAST RI: 166  
 TOTAL DAILY SAFETY MEETINGS:5  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 2  
 TOTAL DAILY JSA'S REVIEWED: 14  
 TOTAL PERMITS TO WORK: 0  
 TOTAL LOTO'S: 0  
 PRE-SPUD RIG INSPECTIONS:0  
 POWER LINE CHECK LIST: 0  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 127.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE POWER WASHING WITHOUT FACE SHIELD STOPPED HIM AND INFORMED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/21/2012  
 Report No: 7

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 5.25  
 Today's MD: 6233 ft Progress: 1788 ft Ground Elev: 3,056.40 ft Daily Cost: \$44,482  
 Prev MD: 4445 ft Rot Hrs Today: 23.50 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$497,563  
 PBMD: Avg ROP Today: 76.1 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: SAN ANDRES@5,200.0 Lithology:

Current Ops:  
 24-Hr Summary: DRILLED 8 3/4" PRODUCTION HOLE TO 4445'  
 24-Hr Forecast: RR 6/28/2012 ROL 6/29/2012 DRILL 8 3/4" PRODUCTION HOLE

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	135.0/ 125.0 kip	Pump Rate:	386.9	Conn:	0	0	
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	130.0 kip	Pump Press:	1300	Trip:	0	0	
Last BOP Press Test:	06/19/2012	Torq Off Btm:	3,500.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	8,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)									
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build	
Supervisor 2:	DARRELL WERTHER	5,221.0	1.00	0.00	5,220.33	72.1	0.0	72.1	0.02	0.02	
Engineer:	IVAN OTERO	4,395.0	0.80	0.00	4,394.43	59.2	0.0	59.2	0.01	-0.01	
Geologist:		2,600.0	1.80	0.00	2,599.78	25.0	0.0	25.0	0.15	0.15	
Oxy Personnel:	2	3,467.0	0.90	0.00	3,466.54	45.4	0.0	45.4	0.10	-0.10	
Contractor Personnel:	11	1,733.0	0.50	0.00	1,732.98	7.6	0.0	7.6	0.03	0.03	
Total on Site:	13	0.0	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00	

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844		--	--

BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
2	23.50	45.50	1788	4389	76.1	96.5	18.0/22.0	65/95	0.778	212	159.6	0.8

MUD DATA - M-J SWACO			
Engineer:	Brandon Smith	MBT:	10.0 lbm/bbl
Sample From:	In	pH:	10.0
Mud Type:	Spud Mud	Pm / Pom:	0.00
Time / MD:	17:30 / 5,901.0	Pf / Mf:	0.3 / 0.5
Density @ Temp:	9.30 / 95	Chlorides:	30,000
Rheology Temp:	120	Ca+ / K+:	320 / 0
Viscosity:	44.00	CaCl2:	0.00
PV / YP:	5 / 20	Clom:	0.00
Gels 10s/10m/30m:	16 / 19 / 23	Lime:	0.00
API WL:	45.00	ES:	0.00
HTHP WL:	0.00	ECD:	9.69
Cake API / HTHP:	2.0 / .0	n / K:	0.00 /
Solids / Sol Corr:	1.40 / 0.00	Carbonate:	6 ppm
Oil / Water:	0.0 / 94.8	Bicarbonate:	0 ppm
Sand:	0.02	Form Loss:	0.0 / 30.0
Water Added:	0.0 bbl	Fluid Disch:	/
Oil Added:			
LGS:	5.20 / 47.70		

VG Meter: 16@3 / 18@6 / 21@100 / 23@200 / 25@300 / 30@600  
 Comments: Last 24 hrs: Drilled 8.75" hole from 3937" to 5000"  
 Displaced hole at 5000" at 4:00 with GelMud and drilled to current d

LAST OR CURRENT BHA					
BHA No:	2	Bit No:	2	MD In:	1844 ft
Purpose:			MD Out:		
Component		OD	ID	Jts	Length
HWDP		4.500	2.870	5	151.35
DRILLING JAR		6.500	2.810	1	32.64
HWDP		4.500	2.810	8	243.53
DRILL COLLAR		6.310	2.870	12	352.57
MWD TOOL		6.500	2.870	1	4.28
WIRED ROLLER REAMER		6.750	2.870	1	7.62
DRILL COLLAR		6.250	2.370	1	30.51
WIRED ROLLER REAMER		6.560	2.370	1	7.35
DRILL COLLAR		6.250	2.870	1	28.88
POSITIVE DISPLACEMENT MOTOR		6.500	3.260	1	32.07
PDC BIT		8.750		1	1.00
Total Length:		891.80 ft			
Wt below Jars:					

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	11.00
Engineering Service	Each	1.00
Hubercarb M200 (Medium)	Bag, 50 lb	7.00
Lime	Bag, 50 lb	1.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	50.00

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/21/2012  
 Report No: 7

**OPERATIONS**

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	1:00	1.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 4445', TO 4509' , AVG ROP 64 FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 2000. TORQUE 10K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.5 VIS 28 PH 9  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
1:00	1:30	0.50	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 4509', TO 4528' , AVG ROP 38 FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 2000. TORQUE 10K ON BOTTOM  DRILLING WITH 1 PUMP CIRCULATE INSIDE RESERVE  MUD WT 9.5 VIS 28 PH 9  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
1:30	4:00	2.50	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 4528', TO 4837' , AVG ROP 123 FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 2100. TORQUE 10K ON BOTTOM  CIRCULATE INSIDE RESERVE  MUD WT 9.8 VIS 28 PH 10  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
4:00	6:00	2.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 4837', TO 5020' , AVG ROP 91 FPH WOB 15-20 K. TD RPM 88+TOTAL BIT RPM 176, FLOW RATE 633GPM, PUMP PSI 2100. TORQUE 10K ON BOTTOM  DISPLACED HOLE @ 5000' 9800 STROKES  CIRCULATE INSIDE RESERVE  MUD WT 10 VIS 28 PH 10  SAFETY BREAK: STAYING ALERT LAST TWO HRS OF TOUR  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60
6:00	10:00	4.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 5020', TO 5327' , 307 AVG ROP 78 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 633GPM, PUMP PSI 2100. TORQUE 8K ON BOTTOM  CIRCULATE STEEL PITS  MUD WT 8.8 VIS 44 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60  SAFETY BREAK: PICK UP DRILL PIPE WITH TAG LINE

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/21/2012  
**Report No:** 7

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
10:00	14:00	4.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 5327', TO 5715' , 388 AVG ROP 97 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 633GPM, PUMP PSI 2100. TORQUE 8K ON BOTTOM  CIRCULATE STEEL PITS  MUD WT 8.9 VIS 44 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60  SAFETY BREAK : HAND AND BODY PLACEMENT	
14:00	18:00	4.00	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 5715', TO 5942' , 227' AVG ROP 56 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM  CIRCULATE STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.2 VIS 44 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
18:00	20:00	2.00	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 5942', TO 6033' , 91 ' AVG ROP 45 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM  STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.2 VIS 43 PH 11  SAAFETY BREAK: 100% TIE OFF OVER 4 FT  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
20:00	20:30	0.50	31PRDR	RIGMT	SRVRIG	P	RIG SERVICE	
20:30	0:00	3.50	31PRDR	DRILL	MTRVER	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 6033', TO 6223' , 200 ' AVG ROP 57 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM  STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.2 VIS 38 PH 11  SAFETY BREAK: SLIPS TRIPS AND FALLS  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
<b>Total Time</b>		24.00						

**Safety Incident?** N **Days since Last RI:** 167.00  
**Environ Incident?** N **Days since Last LTA:** 530.00

**Weather Comments:**

**Incident Comments:**  
 No incidents reported last 24 hours.

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/21/2012  
Report No: 7

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
DAYS WORKED WITH NO LTA: 530  
DAYS SINCE LAST RI: 167  
TOTAL DAILY SAFETY MEETINGS:5  
TOTAL DAILY NEAR MISSES: 0  
TOTAL DAILY STOP CARDS: 2  
TOTAL DAILY JSA'S REVIEWED: 14  
TOTAL PERMITS TO WORK: 0  
TOTAL LOTO'S: 0  
PRE-SPUD RIG INSPECTIONS:0  
POWER LINE CHECK LIST: 0  
TOTAL SWA'S : 0  
DAY CREW SHORT 0 MAN  
NIGHT CREW SHORT 0MAN  
TOTAL NPT TIME = 137.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE NOT BEING 100% TIED OFF OVER 4 FT STOPPED HIM WARNED HIM OF THE HAZARDS AND INFORMED HIM OF OXY POLICY HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

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**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/22/2012  
 Report No: 8

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 6.25  
 Today's MD: 7480 ft Progress: 1247 ft Ground Elev: 3,056.40 ft Daily Cost: \$41,697  
 Prev MD: 6233 ft Rot Hrs Today: 24.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$539,260  
 PBMD: Avg ROP Today: 52.0 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: CLEARFORK@7,200.0 Lithology: DOLOMITE/SHALE/LIMESTONE

Current Ops:  
 24-Hr Summary: DRILLED 8 3/4" PRODUCTION HOLE TO 7480 FT  
 24-Hr Forecast: RR 6/28/2012 ROL 6/29/2012 DRILL 8 3/4" PRODUCTION HOLE

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	155.0/ 140.0 kip	Pump Rate:	384.0	Conn:	0	0	
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	150.0 kip	Pump Press:	1500	Trip:	0	0	
Last BOP Press Test:	06/19/2012	Torq Off Btm:	4,000.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	8,000.0 ft-lbf						

PERSONNEL	SURVEY DATA (LAST 6)									
	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build	
Supervisor 1: BILL LORANCE	7,189.0	0.90	0.00	7,188.19	95.3	0.0	95.3	0.05	0.05	
Supervisor 2: DARRELL WERTHER	6,238.0	0.40	0.00	6,237.25	84.6	0.0	84.6	0.06	-0.06	
Engineer: IVAN OTERO	5,221.0	1.00	0.00	5,220.33	72.1	0.0	72.1	0.02	0.02	
Oxy Personnel: 2	4,395.0	0.80	0.00	4,394.43	59.2	0.0	59.2	0.01	-0.01	
Contractor Personnel: 11	2,600.0	1.80	0.00	2,599.78	25.0	0.0	25.0	0.15	0.15	
Total on Site: 13	3,467.0	0.90	0.00	3,466.54	45.4	0.0	45.4	0.10	-0.10	

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844	8709	1-1-BT-N	1-I-CT-BC

BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
2	24.00	69.50	1247	5636	52.0	81.1	20.0/25.0	65/80	0.778	211	158.4	0.8

MUD DATA - M-J SWACO					LAST OR CURRENT BHA																																																													
Engineer: Brandon Smith	MBT:	10.0 lbm/bbl	BHA No: 2	Bit No: 2	MD In: 1844 ft																																																													
Sample From: In	pH:	11.0	Purpose:	MD Out: 8709 ft																																																														
Mud Type: Spud Mud	Pm / Pom:	0.00	<table border="1"> <thead> <tr> <th>Component</th> <th>OD</th> <th>ID</th> <th>Jts</th> <th>Length</th> </tr> </thead> <tbody> <tr><td>HWDP</td><td>4.500</td><td>2.870</td><td>5</td><td>151.35</td></tr> <tr><td>DRILLING JAR</td><td>6.500</td><td>2.810</td><td>1</td><td>32.64</td></tr> <tr><td>HWDP</td><td>4.500</td><td>2.810</td><td>8</td><td>243.53</td></tr> <tr><td>DRILL COLLAR</td><td>6.310</td><td>2.870</td><td>12</td><td>352.57</td></tr> <tr><td>MWD TOOL</td><td>6.500</td><td>2.870</td><td>1</td><td>4.28</td></tr> <tr><td>WIRED ROLLER REAMER</td><td>6.750</td><td>2.870</td><td>1</td><td>7.62</td></tr> <tr><td>DRILL COLLAR</td><td>6.250</td><td>2.370</td><td>1</td><td>30.51</td></tr> <tr><td>WIRED ROLLER REAMER</td><td>6.560</td><td>2.370</td><td>1</td><td>7.35</td></tr> <tr><td>DRILL COLLAR</td><td>6.250</td><td>2.870</td><td>1</td><td>28.88</td></tr> <tr><td>POSITIVE DISPLACEMENT MOTOR</td><td>6.500</td><td>3.260</td><td>1</td><td>32.07</td></tr> <tr><td>PDC BIT</td><td>8.750</td><td></td><td>1</td><td>1.00</td></tr> </tbody> </table>				Component	OD	ID	Jts	Length	HWDP	4.500	2.870	5	151.35	DRILLING JAR	6.500	2.810	1	32.64	HWDP	4.500	2.810	8	243.53	DRILL COLLAR	6.310	2.870	12	352.57	MWD TOOL	6.500	2.870	1	4.28	WIRED ROLLER REAMER	6.750	2.870	1	7.62	DRILL COLLAR	6.250	2.370	1	30.51	WIRED ROLLER REAMER	6.560	2.370	1	7.35	DRILL COLLAR	6.250	2.870	1	28.88	POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.07	PDC BIT	8.750		1	1.00
Component	OD	ID	Jts	Length																																																														
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PDC BIT	8.750		1	1.00																																																														
Time / MD: 14:30 / 7,050.0	Pf / Mf:	0.3 / 0.6	Total Length: 891.80 ft Wt below Jars:																																																															
Density @ Temp: 9.30 / 90	Chlorides:	38,000																																																																
Rheology Temp: 129	Ca+ / K+:	320 / 0																																																																
Viscosity: 43.00	CaCl2:	0.00																																																																
PV / YP: 7 / 28	Clom:	0.00																																																																
Gels 10s/10m/30m: 21 / 23 / 26	Lime:	0.00																																																																
API WL: 45.00	ES:	0.00																																																																
HTHP WL: 0.00	ECD:	9.88																																																																
Cake API / HTHP: 2.0 / .0	n / K:	0.00 / 0.000																																																																
Solids / Sol Corr: 1.90 / 0.00	Carbonate:	5 ppm																																																																
Oil / Water: 0.0 / 95.3	Bicarbonate:	0 ppm																																																																
Sand: 0.02	Form Loss:	0.0 / 30.0																																																																
Water Added: 70.0 bbl	Fluid Disch:	/																																																																
Oil Added:																																																																		
LGS: 4.70 / 42.80																																																																		
VG Meter: 20@3 / 24@6 / 30@100 / 33@200 / 35@300 / 42@600																																																																		
Comments: Last 24 hrs: Drilled 8.75" hole from 5901" to current depth of 7050" Currently drilling ahead with 20,000 lbs on bit at																																																																		

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	8.00
Engineering Service	Each	1.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	19.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/22/2012  
Report No: 8

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	2:30	2.50	31PRDR	DRILL	MTRVER	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 6223', TO 6356' , 133 ' AVG ROP 53 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH ONE PUMP</p> <p>MUD WT 9.2 VIS 38 PH 11</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
2:30	6:00	3.50	31PRDR	DRILL	MTRVER	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 6356', TO 6555' , 199 ' AVG ROP 66 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH ONE PUMP</p> <p>MUD WT 9.2 VIS 38 PH 11</p> <p>SAFETY BREAK: USING PROPER TOOLS FOR THE JOB</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
6:00	10:00	4.00	31PRDR	DRILL	ROTVR	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 6555', TO 6789' , 234 ' AVG ROP 58.5 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1260. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>SAFETY BREAK: TEAM WORK</p> <p>MUD WT 9.2 VIS 38 PH 11</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p> <p>SAFETY BREAK: MAKING CONNECTION</p>
10:00	14:00	4.00	31PRDR	DRILL	ROTVR	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 6789', TO 7030' , 241 ' AVG ROP 60 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 11500. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH ONE PUMP</p> <p>MUD WT 9.2 VIS 41 PH 10</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p> <p>SAFETY BREAK: STAY HYDRATED</p>

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/22/2012  
**Report No:** 8

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
14:00	18:00	4.00	31PRDR	DRILL	ROTVR	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 7030', TO 7237' , 207 ' AVG ROP 52 FPH WOB 20 K. TD RPM 94+TOTAL BIT RPM 193, FLOW RATE 390GPM, PUMP PSI 1500. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.2 VIS 43 PH 11  SAFETY BREAK: FORKLIFT SAFETY  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
18:00	22:00	4.00	31PRDR	DRILL	ROTVR	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 7237', TO 7396' , 159 ' AVG ROP 40 FPH WOB 20-25K . TD RPM 94+TOTAL BIT RPM 150, FLOW RATE 390GPM, PUMP PSI 1500. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.4 VIS 42 PH 10  SAFETY BREAK: MIXING CAUSTIC  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
22:00	0:00	2.00	31PRDR	DRILL	ROTVR	PT	DRILL 8 3/4" PRODUCTION HOLE FROM 7396', TO 7480' , 84 ' AVG ROP 42 FPH WOB 20-25K . TD RPM 94+TOTAL BIT RPM 150, FLOW RATE 390GPM, PUMP PSI 1500. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PITS  DRILLING WITH ONE PUMP  MUD WT 9.4 VIS 42 PH 10  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
<b>Total Time</b>		24.00						

**Safety Incident?** N **Days since Last RI:** 168.00  
**Environ Incident?** N **Days since Last LTA:** 531.00

**Weather Comments:**  
**Incident Comments:**  
 No incidents reported last 24 hours.

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

**Date:** 06/22/2012  
**Report No:** 8

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED

DAYS WORKED WITH NO LTA: 531

DAYS SINCE LAST RI: 168

TOTAL DAILY SAFETY MEETINGS:5

TOTAL DAILY NEAR MISSES: 0

TOTAL DAILY STOP CARDS: 2

TOTAL DAILY JSA'S REVIEWED: 14

TOTAL PERMITS TO WORK: 0

TOTAL LOTO'S: 0

PRE-SPUD RIG INSPECTIONS:0

POWER LINE CHECK LIST: 0

TOTAL SWA'S : 0

DAY CREW SHORT 0 MAN

NIGHT CREW SHORT 0MAN

TOTAL NPT TIME = 161.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE NOT USING THREE PT CONTACT STOPPED HIM AND INFORMED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

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**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/23/2012  
 Report No: 9

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 7.25  
 Today's MD: 8595 ft Progress: 1115 ft Ground Elev: 3,056.40 ft Daily Cost: \$55,795  
 Prev MD: 7480 ft Rot Hrs Today: 23.50 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$595,055  
 PBMD: Avg ROP Today: 47.4 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: SPRABERRY@8,550.0 Lithology: DOLOMITE/SHALE/LIMESTONE

**Current Ops:**

24-Hr Summary: DRILLED 8 3/4" PRODUCTION HOLE TO 8595'

24-Hr Forecast: RR 6/28/2012 ROL 6/29/2012 DRILL 8 3/4" PRODUCTION HOLE

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	169.0/ 167.0 kip	Pump Rate:	580.4	Conn:	0	0	
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	168.0 kip	Pump Press:	2400	Trip:	0	0	
Last BOP Press Test:	06/19/2012	Torq Off Btm:	4,000.0 ft-lbf			Backgr:	0	0	
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	9,500.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
		MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 1:	BILL LORANCE	7,885.0	2.20	0.00	7,883.92	114.2	0.0	114.2	0.19	0.19
Supervisor 2:	DARRELL WERTHER	7,189.0	0.90	0.00	7,188.19	95.3	0.0	95.3	0.05	0.05
Engineer:	IVAN OTERO	6,238.0	0.40	0.00	6,237.25	84.6	0.0	84.6	0.06	-0.06
Oxy Personnel:	2	5,221.0	1.00	0.00	5,220.33	72.1	0.0	72.1	0.02	0.02
Contractor Personnel:	11	4,395.0	0.80	0.00	4,394.43	59.2	0.0	59.2	0.01	-0.01
Total on Site:	13	2,600.0	1.80	0.00	2,599.78	25.0	0.0	25.0	0.15	0.15

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844	8709	1-1-BT-N	1-I-CT-BC

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
2	23.50	93.00	1115	6751	47.4	72.6	20.0/25.0	65/90	0.778	477	239.4	2.7

**MUD DATA - M-I SWACO**

Engineer: Brandon Smith  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 13:30 / 8,092.0  
 Density @ Temp: 9.30 / 90  
 Rheology Temp: 120  
 Viscosity: 42.00  
 PV / YP: 7 / 29  
 Gels 10s/10m/30m: 22 / 24 / 26  
 API WL: 45.00  
 HTHP WL: 0.00  
 Cake API / HTHP: 2.0 / .0  
 Solids / Sol Corr: 2.00 / 0.00  
 Oil / Water: 0.0 / 95.5  
 Sand: 0.02  
 Water Added: 66.0 bbl  
 Oil Added:  
 LGS: 4.50 / 41.00

MBT: 10.5 lbm/bbl  
 pH: 10.0  
 Pm / Pom: 0.00  
 Pf / Mf: 0.4 / 0.7  
 Chlorides: 41,000  
 Ca+ / K+: 360 / 0  
 CaCl2: 0.00  
 Clom: 0.00  
 Lime: 0.00  
 ES: 0.00  
 ECD: 9.87  
 n / K: 0.00 / 0.000  
 Carbonate: 8 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 0.0 / 30.0  
 Fluid Disch: /

**LAST OR CURRENT BHA**

BHA No: 2 Bit No: 2 MD In: 1844 ft  
 Purpose: MD Out: 8709 ft

Component	OD	ID	Jts	Length
HWDP	4.500	2.870	5	151.35
DRILLING JAR	6.500	2.810	1	32.64
HWDP	4.500	2.810	8	243.53
DRILL COLLAR	6.310	2.870	12	352.57
MWD TOOL	6.500	2.870	1	4.28
WIRED ROLLER REAMER	6.750	2.870	1	7.62
DRILL COLLAR	6.250	2.370	1	30.51
WIRED ROLLER REAMER	6.560	2.370	1	7.35
DRILL COLLAR	6.250	2.870	1	28.88
POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.07
PDC BIT	8.750		1	1.00

VG Meter: 21@3 / 25@6 / 29@100 / 32@200 / 36@300 / 43@600  
 Comments: Last 24 hrs: Drilled from 7050" to 8092". Dumped 200 bbls to maintain MW <9.4. Currently drilling ahead with 26;000 lbs

Total Length: 891.80 ft Wt below Jars:

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	4.00
Engineering Service	Each	1.00
M-I Gel Bulk	Ton	30.00
Premix Pit	each	1.00
Sapp	Bag, 50 lb	2.00
Soda Ash	Bag, 50 lb	10.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/23/2012  
Report No: 9

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	4:00	4.00	31PRDR	DRILL	MTRVER	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 7480', TO 7641' , 161' AVG ROP 40 FPH WOB 20-25K . TD RPM 94+TOTAL BIT RPM 150, FLOW RATE 390GPM, PUMP PSI 1500. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH ONE PUMP</p> <p>MUD WT 9.4 VIS 43 PH 10</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
4:00	6:00	2.00	31PRDR	DRILL	MTRVER	PT	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 7641', TO 7741' , 100' AVG ROP 50 FPH WOB 20-25K . TD RPM 94+TOTAL BIT RPM 150, FLOW RATE 390GPM, PUMP PSI 1500. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH ONE PUMP</p> <p>MUD WT 9.4 VIS 43 PH 10</p> <p>STAYING FOCUSED LAST TWO HRS OF TOUR</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
6:00	10:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 7741', TO 7935' , 194' AVG ROP 48.5 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PITS</p> <p>DRILLING WITH TWO PUMPS</p> <p>MUD WT 9.2 VIS 43 PH 11</p> <p>SAFETY BREAK : PINCH POINTS</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
10:00	14:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 7935', TO 8125' , 190' AVG ROP 47.5 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 43 PH 11</p> <p>SAFETY BREAK: STAYING HYDRATED</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
14:00	17:30	3.50	31PRDR	DRILL	MTRVER	P	<p>DRILL 8 3/4" PRODUCTION HOLE FROM 8125', TO 8251' , 126' AVG ROP 36 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 43 PH 11</p> <p>SAFETY BREAK: SLIPS TRIPS AND FALLS</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60</p>
17:30	18:00	0.50	31PRDR	RIGMT	SRVRIG	P	RIG SERVICE

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/23/2012  
**Report No:** 9

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
18:00	22:00	4.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 8251', TO 8496' , 245 ' AVG ROP 61 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.2 VIS 43 PH 11  SAFETY BREAK: PINCH POINTS  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60	
22:00	0:00	2.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 8496', TO 8595' , 99 ' AVG ROP 49 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 42 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY	
Total Time		24.00						

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	169.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	532.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**Other Remarks:**

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
 DAYS WORKED WITH NO LTA: 532  
 DAYS SINCE LAST RI: 169  
 TOTAL DAILY SAFETY MEETINGS:5  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 2  
 TOTAL DAILY JSA'S REVIEWED: 15  
 TOTAL PERMITS TO WORK: 0  
 TOTAL LOTO'S: 0  
 PRE-SPUD RIG INSPECTIONS:0  
 POWER LINE CHECK LIST: 0  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 167.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE NOT WEARING PROPER PPE WHILE MIXING CAUSTIC STOPPED HIM AND WARNED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/24/2012  
 Report No: 10

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 8.25  
 Today's MD: 8785 ft Progress: 190 ft Ground Elev: 3,056.40 ft Daily Cost: \$46,606  
 Prev MD: 8595 ft Rot Hrs Today: 5.50 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$641,660  
 PBMD: Avg ROP Today: 34.5 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: SPRABERRY@8,550.0 Lithology:  
 Current Ops:  
 24-Hr Summary: DRILLED 8 3/4" PRODUCTION HOLE TO 8709', TOH TO P/U BHA # 3, TIH AND DRILLED 7 7/8" PRODUCTION HOLE TO 8785'  
 24-Hr Forecast: RR 6/28/2012 ROL 6/29/2012 DRILL 7 7/8" PRODUCTION HOLE TO TD

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	167.0/ 162.0 kip	Pump Rate:	263.8	Conn:	38	38	40
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	165.0 kip	Pump Press:	2100	Trip:	38	38	40
Last BOP Press Test:	06/19/2012	Torq Off Btm:	4,000.0 ft-lbf			Backgr:	36	36	36
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	9,500.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER	8,645.0	0.90	0.00	8,643.62	134.7	0.0	134.7	0.17	-0.17
Engineer:	IVAN OTERO	7,885.0	2.20	0.00	7,883.92	114.2	0.0	114.2	0.19	0.19
Geologist:		7,189.0	0.90	0.00	7,188.19	95.3	0.0	95.3	0.05	0.05
Oxy Personnel:	2	6,238.0	0.40	0.00	6,237.25	84.6	0.0	84.6	0.06	-0.06
Contractor Personnel:	11	5,221.0	1.00	0.00	5,220.33	72.1	0.0	72.1	0.02	0.02
Total on Site:	13	4,395.0	0.80	0.00	4,394.43	59.2	0.0	59.2	0.01	-0.01

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
3	7.875	ULTERRA DRILLING T	U616M	15318	M423	6x16	8709		--	--
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844	8709	1-1-BT-N	1-1-CT-BC

BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
3	1.50	1.50	76	76	50.7	50.7	20.0/25.0	45/60	1.178	202	154.9	1.4
2	4.00	97.00	114	6865	28.5	70.8	18.0/25.0	40/55	0.778	463	234.6	2.6

MUD DATA - M-J SWACO					LAST OR CURRENT BHA				
Engineer: Brandon Smith	MBT: 10.5 lbm/bbl	BHA No: 3	Bit No: 3	MD In: 8709 ft					
Sample From: In	pH: 10.0	Purpose:	MD Out:						
Mud Type: Spud Mud	Pm / Pom: 0.00	Component			OD	ID	Jts	Length	
Time / MD: 15:00 / 8,709.0	Pf / Mf: 0.4 / 0.8	HWDP	4.500	2.870	5	151.35			
Density @ Temp: 9.40 / 90	Chlorides: 38,000	DRILLING JAR	6.500	2.810	1	32.64			
Rheology Temp: 120	Ca+ / K+: 320 / 0	HWDP	4.500	2.810	8	243.53			
Viscosity: 41.00	Clom: 0.00	DRILL COLLAR	6.310	2.870	12	352.57			
PV / YP: 8 / 25	Lime: 0.00	MWD TOOL	6.500	2.870	1	4.28			
Gels 10s/10m/30m: 22 / 24 / 25	ES: 0.00	WIRED ROLLER REAMER	6.750	2.870	1	6.54			
API WL: 45.00	ECD: 0.00	DRILL COLLAR	6.250	2.370	1	30.51			
HTHP WL: 0.00	n / K: 0.00 / 0.000	WIRED ROLLER REAMER	6.560	2.370	1	6.86			
Cake API / HTHP: 2.0 / .0	Carbonate: 8 ppm	POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.12			
Solids / Sol Corr: 1.80 / 0.00	Bicarbonate: 0 ppm	PDC BIT	8.750		1	1.00			
Oil / Water: 0.0 / 94.5	Form Loss: 0.0 / 30.0								
Sand: 0.02	Fluid Disch: /								
Water Added: 32.0 bbl									
Oil Added:									
LGS: 5.50 / 49.80									
VG Meter: 22@3 / 25@6 / 28@100 / 30@200 / 33@300 / 41@600									
Comments: Last 24 hrs: Drilled 8.75" hole from 8092" to 8709" and TOOH to Change bit to 7.625" Ulterra bit. Currently TIH.									
		Total Length:	861.40 ft	Wt below Jars:					

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	3.00
Engineering Service	Each	1.00
Lime	Bag, 50 lb	13.00
MF-55	Can, 5 gal	4.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	10.00

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/24/2012  
**Report No:** 10

**OPERATIONS**

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	4:00	4.00	31PRDR	DRILL	MTRVER	P	DRILL 8 3/4" PRODUCTION HOLE FROM 8595', TO 8709 , 114 ' AVG ROP 28 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2450. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 42 PH 11 NOTE: FLO DRIFT TECH ON LOCATION TRYING TO RETRIEVE SURVEYS PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-60'
4:00	5:00	1.00	31PRDR	CIRC	CNDHOL	P	CIRCULATE AND PREPARE FOR TOH TO P/U BHA # 2
5:00	6:00	1.00	31PRDR	TRIP	BHA	P	HOLD PJSM AND TOH  WELL STATIC
6:00	10:30	4.50	31PRDR	TRIP	BHA	P	CONTINUE TO PULL OUT HOLE
10:30	13:00	2.50	31PRDR	TRIP	BHA	P	LAY DOWN REAMERS, FLOW DRIFT TOOL, MOTOR AND BIT  SAFETY BREAK: P/U & L/D DOWN BHA
13:00	17:00	4.00	31PRDR	TRIP	BHA	P	PICK UP BHA # 3 AS FOLLOWS AND TRIP IN HOLE:  ? 7 7/8" PDC bit ? 1 - 6.5" Baker motor XL/LS (0.16 rev/gal) ? Roller Reamer (1/8" UG) ? 1 - 6.5" DC ? Roller Reamer (1/8" UG) ? NOV FLO-DRIFT ? 12 - 6 1/2" Spiral DC ? 8 - 4 1/2" HWDP ? 1 X Jar (To be run in Tension) ? 5 - 4 1/2" HWDP
17:00	18:00	1.00	31PRDR	OTHR	OTHER	P	SLIP AND CUT DRILL LINE AT SHOE  SAFETY BREAK: SLIP AND CUT DRILL LINE
18:00	22:00	4.00	31PRDR	TRIP	BHA	P	CONTINUE TO TRIP IN HOLE WITH BHA # 3  HOLE GIVING PROPER DISPLACEMENT
22:00	22:30	0.50	31PRDR	TRIP	BHA	P	BREAK CIRCULATION AND WASH LAST TWO STANDS TO BOTTOM
22:30	0:00	1.50	31PRDR	DRILL	MTRVER	P	DRILL 7 7/8" PRODUCTION HOLE FROM 8709', TO 8785 , 76 ' AVG ROP 50 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2100. TORQUE 8K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 42 PH 11 SAFETY BREAK: GOOD HOUSE KEEPING PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90'

Total Time 24.00

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	170.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	533.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

**Date:** 06/24/2012  
**Report No:** 10

**Other Remarks:** From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
DAYS WORKED WITH NO LTA: 533  
DAYS SINCE LAST RI: 170  
TOTAL DAILY SAFETY MEETINGS: 4  
TOTAL DAILY NEAR MISSES: 0  
TOTAL DAILY STOP CARDS: 2  
TOTAL DAILY JSA'S REVIEWED: 13  
TOTAL PERMITS TO WORK: 0  
TOTAL LOTO'S: 0  
PRE-SPUD RIG INSPECTIONS:0  
POWER LINE CHECK LIST: 0  
TOTAL SWA'S : 0  
DAY CREW SHORT 0 MAN  
NIGHT CREW SHORT 0MAN  
TOTAL NPT TIME = 167.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE RUNNING DOWN STAIRS WITHOUT 3 PT CONTACT STOPPED HIM AND WARNED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

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**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/25/2012  
 Report No: 11

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 9.25  
 Today's MD: 10,166 ft Progress: 1381 ft Ground Elev: 3,056.40 ft Daily Cost: \$46,710  
 Prev MD: 8785 ft Rot Hrs Today: 24.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$688,370  
 PBMD: Avg ROP Today: 57.5 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: WOLFCAMP@9,900.0 Lithology: LIMESTONE/SHALE

**Current Ops:**

24-Hr Summary: DRILLED 7 7/8" PRODUCTION HOLE TO 10166'

24-Hr Forecast: (RR 6/28/2012 ROL 6/30/2012) DRILL 7 7/8" PRODUCTION HOLE TO TD AND LDDP TO RUN 5.5" CASING

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	185.0/ 178.0 kip	Pump Rate:	562.8	Conn:	16	16	
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	183.0 kip	Pump Press:	2600	Trip:	0	0	
Last BOP Press Test:	06/19/2012	Torq Off Btm:	4,000.0 ft-lbf			Backgr:	12	12	
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	10,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
		MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 1:	BILL LORANCE	9,596.0	0.40	0.00	9,594.92	132.0	0.0	132.0	0.05	-0.05
Supervisor 2:	DARRELL WERTHER	8,645.0	0.90	0.00	9,982.44	127.2	0.0	127.2	0.17	-0.17
Engineer:	IVAN OTERO	8,645.0	0.90	0.00	8,643.98	121.2	0.0	121.2	0.00	0.00
Oxy Personnel:	2	7,885.0	2.20	0.00	9,222.74	106.6	0.0	106.6	0.19	0.19
Contractor Personnel:	11	7,189.0	0.90	0.00	7,188.16	98.3	0.0	98.3	0.05	0.05
Total on Site:	13	7,189.0	0.90	0.00	8,527.01	87.8	0.0	87.8	0.05	0.05

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
3	7.875	ULTERRA DRILLING T	U616M	15318	M423	6x16	8709		--	--
2	8.750	ULTERRA DRILLING T	U616M	14875	M323	6x13	1844	8709	1-1-BT-N	1-1-CT-BC

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
3	24.00	25.50	138	1457	57.5	57.1	20.0/25.0	65/40	1.178	198	153.3	1.3

**MUD DATA - M-J SWACO**

Engineer: Brandon Smith  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 18:30 / 9,858.0  
 Density @ Temp: 9.40 / 90  
 Rheology Temp: 120  
 Viscosity: 46.00  
 PV / YP: 8 / 29  
 Gels 10s/10m/30m: 25 / 27 / 29  
 API WL: 45.00  
 HTHP WL: 0.00  
 Cake API / HTHP: 2.0 / .0  
 Solids / Sol Corr: 1.90 / 0.00  
 Oil / Water: 0.0 / 94.7  
 Sand: 0.02  
 Water Added: 55.0 bbl  
 Oil Added:  
 LGS: 5.30 / 48.60

MBT: 12.5 lbm/bbl  
 pH: 10.0  
 Pm / Pom: 0.00  
 Pf / Mf: 0.5 / 1.0  
 Chlorides: 40,000  
 Ca+ / K+: 320 / 0  
 CaCl2: 0.00  
 Clom: 0.00  
 Lime: 0.00  
 ES: 0.00  
 ECD: 9.95  
 n / K: 0.00 / 0.000  
 Carbonate: 10 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 0.0 / 30.0  
 Fluid Disch: /

VG Meter: 25@3 / 27@6 / 30@100 / 33@200 / 37@300 / 45@600

Comments: Last 24 hrs: TIH to bottom at 8709". Drilled 7.625" hole from 8709" to 9858". Currently Drilling ahead with 22;500 lbs

**LAST OR CURRENT BHA**

BHA No: 3 Bit No: 3 MD In: 8709 ft

Purpose: MD Out:

Component	OD	ID	Jts	Length
HWDP	4.500	2.870	5	151.35
DRILLING JAR	6.500	2.810	1	32.64
HWDP	4.500	2.810	8	243.53
DRILL COLLAR	6.310	2.870	12	352.57
MWD TOOL	6.500	2.870	1	4.28
WIRED ROLLER REAMER	6.750	2.870	1	6.54
DRILL COLLAR	6.250	2.370	1	30.51
WIRED ROLLER REAMER	6.560	2.370	1	6.86
POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.12
PDC BIT	8.750		1	1.00

Total Length: 861.40 ft Wt below Jars:

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	8.00
Engineering Service	Each	1.00
Hubercarb M200 (Medium)	Bag, 50 lb	7.00
Lime	Bag, 50 lb	7.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	13.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/25/2012  
Report No: 11

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	4:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 8785', TO 9018' , 233 ' AVG ROP 58 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2100. TORQUE 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 42 PH 11</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
4:00	6:00	2.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 9018', TO 9140' , 122 ' AVG ROP 61 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2100. TORQUE 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 42 PH 11</p> <p>SAFETY BREAK: STAYING FOCUSED LAST TWO HRS OF TOUR PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
6:00	10:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 9140', TO 9400' , 260 ' AVG ROP 65 FPH WOB 20-25K . TD RPM 80+TOTAL BIT RPM 186, FLOW RATE 564GPM, PUMP PSI 2800. TORQUE 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 42 PH 10</p> <p>SAFETY BREAK: MAKING CONNECTION PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
10:00	14:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 9400', TO 9655' , 255 ' AVG ROP 64 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2800. TORQUE 8- 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 42 PH 10</p> <p>SAFETY BREAK: STAY HYDRATED PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90'</p>
14:00	18:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 9655', TO 9850' , 195 ' AVG ROP 48 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 8- 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 45 PH 10</p> <p>SAFETY BREAK: GOOD HOUSEKEEPING PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90'</p>
18:00	22:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 9850', TO 10056' , 206 ' AVG ROP 51 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 8- 10K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 45 PH 10</p> <p>SAFETY BREAK: FORKLIFT SAFETY PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/25/2012  
 Report No: 11

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
22:00	0:00	2.00	31PRDR	DRILL	MTRVER	P	DRILL 7 7/8" PRODUCTION HOLE FROM 10056', TO 10166' , 110 ' AVG ROP 55 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 8- 10K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.2 VIS 45 PH 10  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90	
Total Time		24.00						

Safety Incident? N Days since Last RI: 171.00 Weather Comments:

Environ Incident? N Days since Last LTA: 534.00

## Incident Comments:

No incidents reported last 24 hours.

## Other Remarks:

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED

DAYS WORKED WITH NO LTA: 534

DAYS SINCE LAST RI: 171

TOTAL DAILY SAFETY MEETINGS: 5

TOTAL DAILY NEAR MISSES: 0

TOTAL DAILY STOP CARDS: 2

TOTAL DAILY JSA'S REVIEWED: 14

TOTAL PERMITS TO WORK: 0

TOTAL LOTO'S: 0

PRE-SPUD RIG INSPECTIONS:0

POWER LINE CHECK LIST: 0

TOTAL SWA'S : 0

DAY CREW SHORT 0 MAN

NIGHT CREW SHORT 0MAN

TOTAL NPT TIME = 167.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE STANDING IN BUFFER ZONE WHILE HOISTING PIPE INTO MOUSE HOLE STOPPED HIM AND WARNED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/26/2012  
 Report No: 12

Wellbore / Top MD: 00 @ 55 ft Rig: SAVANNA 643 Ref Datum: Original KB @3,071.80ft DFS: 10.25  
 Today's MD: 11,268 ft Progress: 1102 ft Ground Elev: 3,056.40 ft Daily Cost: \$42,530  
 Prev MD: 10,166 ft Rot Hrs Today: 24.00 hr AFE MD/Days: 11,450.0 / 13.6 days Cum Cost: \$730,900  
 PBMD: Avg ROP Today: 45.9 ft/hr AFE Number: 1141068#0402 AFE Cost: \$1,224,234

Current Formation: STRAWN@11,000.0 Lithology: LIMESTONE/SHALE/CHERT

**Current Ops:**

24-Hr Summary: DRILLED 7 7/8" PRODUCTION HOLE TO 11268'

24-Hr Forecast: (RR 6/28/2012 ROL 6/30/2012) TD 7 7/8" PRODUCTION HOLE @ 11461', LDDP, R/U CASING CREW & RUN 5.5" CASING TO 11461'

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	220.0/ 200.0 kip	Pump Rate:	556.9	Conn:			
Next Casing:	5.500in @ 11,450ft	Str Wt Rot:	215.0 kip	Pump Press:	2500	Trip:			
Last BOP Press Test:	06/19/2012	Torq Off Btm:	5,000.0 ft-lbf			Backgr:			
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	10,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	BILL LORANCE	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
Supervisor 2:	DARRELL WERTHER	11,059.0	1.00	0.00	13,629.54	153.3	0.0	153.3	0.07	0.07
Engineer:	IVAN OTERO	10,298.0	0.50	0.00	12,868.61	143.3	0.0	143.3	0.55	-0.55
Geologist:		10,116.0	1.50	0.00	12,686.64	140.2	0.0	140.2	0.21	0.21
Oxy Personnel:	2	9,596.0	0.40	0.00	12,166.72	131.5	0.0	131.5	0.05	-0.05
Contractor Personnel:	11	8,645.0	0.90	0.00	9,982.44	127.2	0.0	127.2	0.17	-0.17
Total on Site:	13	8,645.0	0.90	0.00	11,215.78	120.7	0.0	120.7	0.00	0.00

**BIT RECORD**

Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
3	7.875	ULTERRA DRILLING T	U616M	15318	M423	6x16	8709		--	--

**BIT OPERATING PARAMETERS TODAY**

Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
3	24.00	49.50	1102	2559	45.9	51.7	20.0/28.0	45/65	1.178	187	151.7	1.2

**MUD DATA - M-I SWACO**

Engineer: Brandon Smith  
 Sample From: In  
 Mud Type: Spud Mud  
 Time / MD: 16:30 / 11,005.0  
 Density @ Temp: 9.10 / 95  
 Rheology Temp: 120  
 Viscosity: 42.00  
 PV / YP: 7 / 27  
 Gels 10s/10m/30m: 21 / 23 / 26  
 API WL: 0.00  
 HTHP WL: 0.00  
 Cake API / HTHP: .0 / .0  
 Solids / Sol Corr: 0.00 / 0.00  
 Oil / Water: 0.0 / 0.0  
 Sand: 0.00  
 Water Added: 9.0 bbl  
 Oil Added:  
 LGS: 5.80 / 52.60

MBT: 0.0 lbm/bbl  
 pH: 0.0  
 Pm / Pom: 0.00  
 Pf / Mf: 0.0 / 0.0  
 Chlorides: 0  
 Ca+ / K+: 0 / 0  
 CaCl2: 0.00  
 Clom: 0.00  
 Lime: 0.00  
 ES: 0.00  
 ECD: 9.58  
 n / K: 0.00 / 0.000  
 Carbonate: 0 ppm  
 Bicarbonate: 0 ppm  
 Form Loss: 0.0 / 30.0  
 Fluid Disch: /

VG Meter: 21@3 / 23@6 / 26@100 / 30@200 / 34@300 / 41@600  
 Comments: Last 24 hrs: Drilled from 9858" to 11005". Dumped 700 bbls to maintain MW and replaced with prebuilt Gel Mud from Frac T

**LAST OR CURRENT BHA**

BHA No: 3 Bit No: 3 MD In: 8709 ft

Purpose: MD Out:

Component	OD	ID	Jts	Length
HWDP	4.500	2.870	5	151.35
DRILLING JAR	6.500	2.810	1	32.64
HWDP	4.500	2.810	8	243.53
DRILL COLLAR	6.310	2.870	12	352.57
MWD TOOL	6.500	2.870	1	4.28
WIRED ROLLER REAMER	6.750	2.870	1	6.54
DRILL COLLAR	6.250	2.370	1	30.51
WIRED ROLLER REAMER	6.560	2.370	1	6.86
POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.12
PDC BIT	8.750		1	1.00

Total Length: 861.40 ft Wt below Jars:

**MUD PRODUCTS**

Product	Units	Qty Used
Air Comp Rent	Each	1.00
Caustic Soda	Bag, 50 lb	17.00
Defoam A	Can, 5 gal	6.00
Engineering Service	Each	1.00
M-I Gel Bulk	Ton	20.48
Poly-Plus	Can, 5 gal	4.00
Premix Pit	each	1.00
Soda Ash	Bag, 50 lb	8.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/26/2012  
Report No: 12

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	4:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 10166', TO 10444', 278 ' AVG ROP 69 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 45 PH 11</p> <p>PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
4:00	6:00	2.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 10444', TO 10580', 136 ' AVG ROP 68 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.2 VIS 45 PH 11</p> <p>SAFETY BREAK: STAYING FOCUSED LAST TWO HOURS OF TOUR PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
6:00	10:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 10570', TO 10781', 211 ' AVG ROP 53 FPH WOB 20-25K . TD RPM 70+TOTAL BIT RPM 148, FLOW RATE 520GPM, PUMP PSI 2700. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 44 PH 11</p> <p>SAFETY BREAK: FORKLIFTS AND TAG LINES PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
10:00	14:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 10781', TO 10917', 136 ' AVG ROP 34 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 377GPM, PUMP PSI 1500. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 44 PH 11</p> <p>SAFETY BREAK: SIGNS OF HEAT STROKE PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
14:00	18:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 10917', TO 11060', 143 ' AVG ROP 36 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 44 PH 11</p> <p>SAFETY BREAK: MIXING MUD PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>
18:00	22:00	4.00	31PRDR	DRILL	MTRVER	P	<p>DRILL 7 7/8" PRODUCTION HOLE FROM 11060', TO 11190' 130' ' AVG ROP 32 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM</p> <p>CIRCULATING STEEL PIT</p> <p>MUD WT 9.3 VIS 44 PH 11</p> <p>SAFETY BREAK: USING PROPER TOOLS FOR THE JOB PUMP 20 BBL 60+ VIS GEL &amp; LCM SWEEP EVERY 60-90</p>

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/26/2012  
**Report No:** 12

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
22:00	0:00	2.00	31PRDR	DRILL	MTRVER	P	DRILL 7 7/8" PRODUCTION HOLE FROM 11190', TO 11268' 78' ' AVG ROP 39 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 44 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90

Total Time 24.00

**Safety Incident?** N **Days since Last RI:** 172.00 **Weather Comments:**

**Environ Incident?** N **Days since Last LTA:** 535.00

**Incident Comments:**

No incidents reported last 24 hours.

**Other Remarks:**

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED

DAYS WORKED WITH NO LTA: 535

DAYS SINCE LAST RI: 172

TOTAL DAILY SAFETY MEETINGS: 5

TOTAL DAILY NEAR MISSES: 0

TOTAL DAILY STOP CARDS: 2

TOTAL DAILY JSA'S REVIEWED: 14

TOTAL PERMITS TO WORK: 0

TOTAL LOTO'S: 0

PRE-SPUD RIG INSPECTIONS:0

POWER LINE CHECK LIST: 0

TOTAL SWA'S : 0

DAY CREW SHORT 0 MAN

NIGHT CREW SHORT 0MAN

TOTAL NPT TIME = 167.5 HOURS

BEST STOP CARD: OBSERVED EMPLOYEE NOT WEARING SEATBELT WHILE OPERATING FORKLIFT STOPPED HIM AND WARNED HIM OF THE HAZARDS, HE COMPLIED AND JOB CONTINUED WITHOUT INCIDENT

**DAILY OPERATIONS PARTNER REPORT**

Event: DEV DRILLING  
 Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

Date: 06/27/2012  
 Report No: 13

Wellbore / Top MD:	00 @ 55 ft	Rig:	SAVANNA 643	Ref Datum:	Original KB @3,071.80ft	DFS:	11.25
Today's MD:	11,465 ft	Progress:	197 ft	Ground Elev:	3,056.40 ft	Daily Cost:	\$38,777
Prev MD:	11,268 ft	Rot Hrs Today:	6.00 hr	AFE MD/Days:	11,450.0 / 13.6 days	Cum Cost:	\$769,677
PBMD:		Avg ROP Today:	32.8 ft/hr	AFE Number:	1141068#0402	AFE Cost:	\$1,224,234

Current Formation: STRAWN@11,000.0      Lithology: LIMESTONE/SHALE/CHERT

**Current Ops:**  
 24-Hr Summary: DRILLED 7 7/8" PRODUCTION HOLE TO TD, LDDP & RAN CASING TO 1350'  
 24-Hr Forecast: (RR 6/28/2012 ROL 6/30/2012) RUN CASING TO 11461', CEMENT AS PER PROG, INSTALL WELLHEAD & TEST, R/D AND RELEASE RIG

CASING/WELL CONTROL		HOOKLOAD & TORQUE		HYDRAULICS		MUD GAS		Avg	Max
Last Casing:	9.625in @ 1,844ft	Str Wt Up/Dn:	220.0/ 200.0 kip	Pump Rate:	542.3	Conn:			
Next Casing:	5.500in @ 11,461ft	Str Wt Rot:	215.0 kip	Pump Press:	2500	Trip:			
Last BOP Press Test:	06/19/2012	Torq Off Btm:	5,000.0 ft-lbf			Backgr:			
Form Test/EMW:	FIT / 12.16 ppg	Torq On Btm:	12,000.0 ft-lbf						

PERSONNEL		SURVEY DATA (LAST 6)								
Supervisor 1:	Supervisor 2:	MD	Incl	Azi	TVD	N-S	E-W	VS	DLS	Build
BILL LORANCE	DARRELL WERTHER	11,059.0	1.00	0.00	11,057.74	153.7	0.0	153.7	0.07	0.07
Engineer:	IVAN OTERO	10,298.0	0.50	0.00	10,296.81	143.8	0.0	143.8	0.55	-0.55
Geologist:		10,116.0	1.50	0.00	10,114.84	140.6	0.0	140.6	0.21	0.21
Oxy Personnel:	2	9,596.0	0.40	0.00	9,594.92	132.0	0.0	132.0	0.05	-0.05
Contractor Personnel:	15	8,645.0	0.90	0.00	9,982.44	127.2	0.0	127.2	0.17	-0.17
Total on Site:	17	8,645.0	0.90	0.00	8,643.98	121.2	0.0	121.2	0.00	0.00

BIT RECORD										
Bit No	Size	Manufacturer	Model	Serial No	IADC Code	Nozzles	MD In	MD Out	I-O-D-L	B-G-O-R
3	7.875	ULTERRA DRILLING T	U616M	15318	M423	6x16	8709	11,465	1-1-CT-S	1-I-NO-TD

BIT OPERATING PARAMETERS TODAY												
Bit No	Rot Hrs	Cum Rot Hrs	Prog	Cum Prog	ROP	Cum ROP	WOB min/max	RPM min/max	TFA	P Drop Bit	Noz Vel	HHPSI
3	6.00	55.50	197	2756	32.8	49.7	20.0/28.0	45/60	1.178	181	147.7	1.2

MUD DATA - M-I SWACO		
Engineer: Brandon Smith	MBT:	10.0 lbm/bbl
Sample From: In	pH:	10.0
Mud Type: Spud Mud	Pm / Pom:	0.00
Time / MD: 12:30 / 11,465.0	Pf / Mf:	0.5 / 0.7
Density @ Temp: 9.20 / 95	Chlorides:	36,000
Rheology Temp: 120	Ca+ / K+:	360 / 0
Viscosity: 39.00	CaCl2:	0.00
PV / YP: 8 / 23	Clom:	0.00
Gels 10s/10m/30m: 17 / 18 / 20	Lime:	0.00
API WL: 45.00	ES:	0.00
HTHP WL: 0.00	ECD:	9.20
Cake API / HTHP: 2.0 / .0	n / K:	0.00 / 0.000
Solids / Sol Corr: 1.80 / 0.00	Carbonate:	10 ppm
Oil / Water: 0.0 / 95.9	Bicarbonate:	0 ppm
Sand: 0.02	Form Loss:	0.0 / 30.0
Water Added: 13.0 bbl	Fluid Disch:	/
Oil Added:		
LGS: 4.10 / 37.00		

LAST OR CURRENT BHA					
BHA No: 3	Bit No: 3	MD In: 8709 ft			
Purpose:	MD Out: 11,465 ft				
Component	OD	ID	Jts	Length	
HWDP	4.500	2.870	5	151.35	
DRILLING JAR	6.500	2.810	1	32.64	
HWDP	4.500	2.810	8	243.53	
DRILL COLLAR	6.310	2.870	12	352.57	
MWD TOOL	6.500	2.870	1	4.28	
WIRED ROLLER REAMER	6.750	2.870	1	6.54	
DRILL COLLAR	6.250	2.370	1	30.51	
WIRED ROLLER REAMER	6.560	2.370	1	6.86	
POSITIVE DISPLACEMENT MOTOR	6.500	3.260	1	32.12	
PDC BIT	8.750		1	1.00	

VG Meter: 17@3 / 19@6 / 23@100 / 27@200 / 31@300 / 39@600  
 Comments: Circ Steel pits. Dump and Dilute to maintain Mud Weight below 9.4. Maintain pH with Caustic 10-11. Add 5-7 sx Soda Ash per tour to maintain Hardness below 400.

Total Length: 861.40 ft      Wt below Jars:

MUD PRODUCTS		
Product	Units	Qty Used
Air Comp Rent	Each	1.00
Aluminum Stearate	Bag, 25 lb	1.00
Caustic Soda	Bag, 50 lb	1.00
Engineering Service	Each	1.00
Federal Barite	Bag, 100 lb	88.00
M-I X II Medium	Bag, 25 lb	17.00
Mica Fine	Bag, 50 lb	13.00
Pecan Nut Plug CSE	Bag, 50 lb	10.00
Pecan Nut Plug Medium	Bag, 50 lb	7.00
Premix Pit	each	1.00
Spersene	Bag, 50 lb	2.00

## DAILY OPERATIONS PARTNER REPORT

Event: DEV DRILLING  
Prim. Reason: ORIG DRILL VERT

UNIVERSITY CHLOE 8  
USA

Date: 06/27/2012  
Report No: 13

## OPERATIONS

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
0:00	3:00	3.00	31PRDR	DRILL	MTRVER	P	DRILL 7 7/8" PRODUCTION HOLE FROM 11268', TO 11366' 98' ' AVG ROP 32 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 44 PH 11  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
3:00	4:00	1.00	31PRDR	DRILL	MTRVER	PT	DRILL 7 7/8" PRODUCTION HOLE FROM 11366', TO 11391' 25' ' AVG ROP 25 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 44 PH 11  DRILLING WITH ONE PUMP  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
4:00	6:00	2.00	31PRDR	DRILL	MTRVER	P	DRILL 7 7/8" PRODUCTION HOLE FROM 11391', TO 11465 63' ' AVG ROP 35 FPH WOB 20-25K . TD RPM 45+TOTAL BIT RPM 105, FLOW RATE 508GPM, PUMP PSI 2350. TORQUE 10-12K ON BOTTOM  CIRCULATING STEEL PIT  MUD WT 9.3 VIS 44 PH 11 SAFETY BREAK: STAYING FOCUSED LAST TWO HRS OF TOUR  PUMP 20 BBL 60+ VIS GEL & LCM SWEEP EVERY 60-90
6:00	8:00	2.00	31PRDR	CIRC	CNDHOL	P	CIRCULATE HOLE CLEAN
8:00	12:00	4.00	31PRDR	TRIP	DRILL	P	PULL 10 STANDS CHECK FOR FLOW SLUG DRILL PIPE AND TRIP OUT OF HOLE LAYING DOWN DRILL PIPE FROM 11461-7808  SAFETY BREAK: LAYING DOWN DRILL PIPE
12:00	16:00	4.00	31PRDR	TRIP	DRILL	P	CONTINUE TO LDDP FROM 7808'FT.- T/ 3119'FT.  SAFETY BREAK: DRINKING PLENTY OF FLUIDS (STAYING HYDRATED)
16:00	20:00	4.00	31PRDR	TRIP	DRILL	P	CONTINUE TO LDDP FROM 3119'- T/ 200"  SAFETY BREAK: HANDLING BHA
20:00	20:30	0.50	31PRDR	TRIP	DRILL	P	L/D BHA FROM 200-0'
20:30	21:30	1.00	31PRDR	TRIP	DRILL	P	PULL WEAR BUSHING, L/D MOUSE HOLE & CLEAN OFF FLOOR
21:30	22:00	0.50	31PRDR	SAFE	PJSM	P	HOLD PJSM AND REVIEW JSA WITH ALL CREWS AND DSM

**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/27/2012  
**Report No:** 13

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details
22:00	0:00	2.00	31PRDR	CSG	RUNCSG	P	RUN CASING FROM 0'-1373'  VISUALLY INSPECT FLOAT EQUIPMENT FOR DAMAGE AND PROPER OPERATION; MANUFACTURER MODEL AND NUMBERS MATCH WITH THE DESCRIPTIONS BELOW. • FLOAT SHOE – MODEL E303 - THREAD LOCKED TORQUE TO 4260, SET @ 11,373' • 2 JOINTS 5½" 17# L80 LTC CASING-THREAD LOCKED TORQUE TO 4260 • FLOAT COLLAR – MODEL E402 - THREAD LOCKED TORQUE TO 4260, SET @ 11,368.76' • 5½" 17# L80 LTC CASING TO 7000 FT, TORQUE TO 3410 • INCLUDE A FLAG JOINT TO BE LOCATED AT ~8500', TORQUE TO 3410, SET @ 8,513.98' • 5½" 17# L80 LTC RYT WRAPPED CASING FROM 7000 FT TO 5000 FT, TORQUE TO 3410 • 5½" 17# L80 LTC CASING FROM 5000 FT TO SURFACE, TORQUE TO 3410 INSTALL WEATHERFORD SINGLE BOW SPRING CENTRALIZERS (PART NUMBER: B1103651) AS FOLLOWS: • 1 BOW SPRING 10' ABOVE SHOE • 1 BOW SPRING ON COUPLING ~40' ABOVE SHOE • 1 BOW SPRING ABOVE FLOAT COLLAR (~90' ABOVE SHOE) • 1 BOW SPRING EVERY 2 JOINTS UP TO 7000 FT • 1 BOW SPRING EVERY 3 JOINTS FROM 7000 FT TO 5000 FT (RYT WRAP CENTRALIZERS PART NUMBER: 823355) • 1 RIGID CENTRALIZER (PART NUMBER 572288) AT THE FIRST COUPLING BELOW THE WELLHEAD • ESTIMATED NUMBER OF BOW SPRING CENTRALIZERS NEEDED: 50 • RYT WRAP CENTRALIZERS: 17  FILL UP ON THE FLY AND EVERY 10 JOINTS COMPLETE  BREAK CIRCULATION @ 1844' SHOE  SAFETY BREAK: POWER TONGS

Total Time 24.00

<b>Safety Incident?</b>	N	<b>Days since Last RI:</b>	173.00	<b>Weather Comments:</b>
<b>Environ Incident?</b>	N	<b>Days since Last LTA:</b>	536.00	
<b>Incident Comments:</b> No incidents reported last 24 hours.				

**Other Remarks:**

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: STAYING HYDRATED  
 DAYS WORKED WITH NO LTA: 536  
 DAYS SINCE LAST RI: 173  
 TOTAL DAILY SAFETY MEETINGS: 5  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 2  
 TOTAL DAILY JSA'S REVIEWED: 14  
 TOTAL PERMITS TO WORK: 0  
 TOTAL LOTO'S: 0  
 PRE-SPUD RIG INSPECTIONS:0  
 POWER LINE CHECK LIST: 0  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 168.5 HOURS

BEST STOP CARD: OBSERVED 3RD PARTY EMPLOYEE NOT WEARING PROPER PPE, STOPPED HIM AND INFORMED HIM OF OXY POLICY, HE COMPLIED & JOB CONTINUED WITHOUT INCIDENT



**DAILY OPERATIONS PARTNER REPORT**

**Event:** DEV DRILLING  
**Prim. Reason:** ORIG DRILL VERT

UNIVERSITY CHLOE 8  
 USA

**Date:** 06/28/2012  
**Report No:** 14

**OPERATIONS**

From	To	Hrs	Op Phase	Op Code	Op Sub	Op Type	Operation Details	
0:00	4:00	4.00	31PRRC	CSG	RUNCSG	P	CONTINUE TO RUN CASING FROM 1373-5281'  SAFETY BREAK: USING PIPE WRANGLER	
4:00	6:00	2.00	31PRRC	CSG	RUNCSG	P	RUNNING CASING FROM 5281'-7000'	
6:00	9:30	3.50	31PRRC	CSG	RUNCSG	P	FINISH RUNNING CASING F/ 7000' FT.- T/ 11,461' FT.  SAFETY BREAK: RIG DOWN CASING CREW	
9:30	11:30	2.00	31PRRC	CIRC	CNDHOL	P	CIRCULATE TWO BOTTOMS UP/ RIG UP HALLIBURTON AND CONDUCT SAFETY MEETING WITH RIG CREW, DSM , AND B.J. CASTRO (SAFETY MAN)	
11:30	14:30	3.00	31PRRC	CMT	PRIM	P	SWAP LINES OVER TO HALLIBURTON AND CEMENT 5.5" CASING AS FOLLOWS: PUMP SPACER 1: 30 BBLS 10 FRESHWATER/ 20 GEL WATER @ 6 BBL/MIN PUMP LEAD CEMENT: 480 SACKS OF 11.7# CEMENT @ 8 BBL/MIN PUMP TAIL CEMENT: 810 SACKS OF 13.0# CEMENT @ 8 BBL/MIN PUMP DISPLACEMENT: 264 BBLS OF BRINE WATER @ 8 BBL/MIN FINAL LIFT 1990 PSI CHECKED FLOATS @ 2500 PSI	
14:30	15:00	0.50	31PRRC	CMT	RIGUP	P	RIG DOWN HALLIBURTON	
15:00	20:00	5.00	31PRRC	BOP	RDBOP	P	PJSM WITH MAN WELDING, FMC, RIG CREW, DSM  HANG BOP, SET CSG SLIPS & MAKE ROUGH CUT ON 5.5" CASING, NIPPLE DOWN BOP  NIPPLE UP TUBING HEAD, TEST TO 4000 PSI, TEST GOOD  RELEASE RIG @ 20:00 HRS	
<b>Total Time</b>		20.00						

**Safety Incident?** N **Days since Last RI:** 174.00

**Environ Incident?** N **Days since Last LTA:** 537.00

**Incident Comments:**  
 No incidents reported last 24 hours.

**Weather Comments:**

**Other Remarks:**

From the Intersection of Highway 385 and Highway 176 in Andrews, Texas, drive 2.1 miles East on Highway 176 to intersection of Highway 176 and Highway 115. Turn left (Northeast) on Highway 115. From intersection of Highway 115 and Highway 176, drive 6.75 miles Northeast on Highway 115. At intersection of Highway 115 and FM 1788, turn right (South) onto FM 1788. Drive 1.75 miles and turn left (East) onto lease road. Travel 1.5mi headed east on lease road and turn right immediately after caliche pit. Travel .8mi headed South on lease road. Turn right when road dead ends and travel west .2mi. to location (University Chloe#8).

FLIGHT FOR LIFE DIRECTIONS: LATITUDE 32 21'15.73" N, LONGITUDE 102°23' 23'.08.78 "W, NAD 27

NOTIFIED TRRC : AUDREY OPERATOR #2 AT 23:45, 6/15/12, INTENTION TO SPUD 12 1/4" HOLE, RUN & CEMENT 9 5/8" SURFACE CASING JOB #

SAFETY TOPIC OF THE DAY: RUN & CEMENT 5.5" CASING

DAYS WORKED WITH NO LTA: 537  
 DAYS SINCE LAST RI: 174  
 TOTAL DAILY SAFETY MEETINGS: 10  
 TOTAL DAILY NEAR MISSES: 0  
 TOTAL DAILY STOP CARDS: 13  
 TOTAL DAILY JSA'S REVIEWED: 13  
 TOTAL PERMITS TO WORK: 0  
 TOTAL LOTO'S: 2  
 PRE-SPUD RIG INSPECTIONS:0  
 POWER LINE CHECK LIST: 0  
 TOTAL SWA'S : 0  
 DAY CREW SHORT 0 MAN  
 NIGHT CREW SHORT 0MAN  
 TOTAL NPT TIME = 168.5 HOURS

BEST STOP CARD: THIRD PARTY HAND NOT PAYING ATTENTION TO BUFFER ZONE WHILE REMOVING BOP, STOPPED JOB AND DISCUSSED THE HAZARDS. THE JOB CONTINUED WITHOUT INCIDENT.

MONTY KEY / AUGIE VELASQUEZ  
 DSM TRAILER: 713-948-3590

<u>Event</u>		
Waiting on Tour Sheet		
<b>CHLOE-8</b> <b>Dev Completion - Cased Hole</b>		
<b>07/02/2012</b>		
Daily Summary		7-2-12 Chloe 8 WOC-Jim Lawson Daily Cost=\$17220 Cum Cost=\$17220 MIRU Schlumberger wireline. RIH and log CNL, CCL, GR, CBL. RDMO wire line. SIW & SDFN PBTD=11333'
<b>Total Cost for 07/02/2012</b>	<b>\$0.00</b>	
<b>07/03/2012</b>		
Daily Summary		7-3-12 Chloe 8 WOC-Jim Lawson Install 10K frac stack. MIRU kill trk. Psi test csg & frac stack to 5000 psi. Psi test good
<b>Total Cost for 07/03/2012</b>	<b>\$0.00</b>	
<b>07/06/2012</b>		
Job Cost Detail Report		
Wireline - Perforate Casing/Liner		STG 1: Perf Strawn 07:45-08:50 RU Halliburton Wireline. No Plug Set. Perf Strawn w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Strawn @ 11193, 11150, 11112, 11080. Total shots=42 & fired=42. Net feet =116'. Reference log Halliburton CNL/GR/CCL date 7-2-12.
Frac - Sand		STG 1: Frac Strawn 09:18-10:47 RU Halliburton frac Strawn zone. Break down at 5888 @ 2.3 bpm. Pump 4001 gal 15% Ferchek acid. Pump 10807 gal treated water pre-pad. Pump 17042 gal Hybor G pre-pad. 72609 gal Hybor G Pad. 76432 gal Hybor G w/ 81708# 20/40 Versa Prop, 1030 gal 15% Ferchek acid, 9865 gal treated water flush. Max rate=70 bpm, Avg rate=69 bpm, Max psi=5783 psi, Avg psi=5434 psi, ISIP=3706 psi. Total load=191785 gal.
Wireline - Bridge Plug - Composite - Set Wireline		RU Halliburton Wireline. RIH w/ 5 1/2 " composite plug. Set @ 10995'.
Wireline - Perforate Casing/Liner		STG 2: Perf Lower Wolfcamp 11:00-13:50 Perf Lower Wolfcamp w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Lower Wolfcamp @ 10922, 10877, 10838, 10796, 10752. Total shots=47 & fired=47. Net feet =173'. Reference log Halliburton CNL/GR/CCL dated 7-2-12.
Frac - Sand		STG 2: Frac Lower Wolfcamp 13:58-15:06 RU Halliburton frac Lower Wolfcamp zone. Break down at 2806 @ 4.3 bpm. Pump 1512 gal 15% Ferchek acid. Pump 11326 gal treated water pre-pad. Pump 4678 gal Hybor G pre-pad. Pump 62207 gal Hybor G Pad, 79483 gal Hybor G w/ 123430# 20/40 CRC prop, 1041 gal 15% Ferchek acid, 9573 gal treated water flush. Max rate=71 bpm, Avg rate=69 bpm, Max psi=4961 psi, Avg psi=4716 psi, ISIP=3394 psi. Total load=169820 gal.
Wireline - Bridge Plug - Composite - Set Wireline		RU Halliburton Wireline. RIH w/ 5 1/2 " composite plug. Set @ 10710'.
Wireline - Perforate Casing/Liner		STG 3: Perf Middle Wolfcamp 15:30-16:25 Perf Middle Wolfcamp w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Middle Wolfcamp @ 10625, 10552, 10513, 10470, 10427. Total shots=48 & fired=48. Net feet =201'. Reference log Halliburton CNL/GR/CCL dated 7-2-12.

Frac - Sand		<p>STG 3: Frac Middle Wolfcamp 16:35-17:30  RU Halliburton frac Middle Wolfcamp zone. Breakdown at 2805 psi @ 5.0 bpm. Pump 1514 gal 15% Ferchek acid. Pump 8695 gal treated water pre-pad. Pump 10157 gal Hybor G pre-pad. Pump 33978 gal Hybor G Pad, 58388 gal Hybor G w/ 142015# 20/40 CRC prop, Pump 1044 gal 15% Ferchek acid. Pump 9017 gal treated water flush. Max rate=71 bpm, Avg rate=69 bpm, Max psi=5632 psi, Avg psi=4732 psi, ISIP=2513 psi. Total load=117547 gal.</p>
Total Cost for 07/06/2012	\$49,220.46	
07/07/2012		
Job Cost Detail Report		
Daily Summary		<p>7-7-12  Chloe 8  SouthCap, OSH019GW, 0403, 1141068 WOC: CHRIS EISENBERG  Daily Cost= \$ 656,198.67  Cum Cost= \$ 674,283  HP= 13750 NPT= 27.5</p> <p>STG 4: Perf Upper Wolfcamp Zone 07:00-08:00 RU Halliburton Wireline. RIH w/ 5 1/2 " composite plug. Set @ 10205'. Perf Upper Wolfcamp w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Upper Wolfcamp @ 10128, 10090, 10043, 10010, 9962. Total shots=47 &amp; fired=47. Net feet =169'. Reference log Halliburton CNL/GR/CCL dated 7-2-12 STG 4: Frac Upper Wolfcamp 08:23-09:09 RU Halliburton frac Upper Wolfcamp zone. Breakdown at 3176 psi @ 4.7 bpm. Pump 1511gal 15% Ferchek acid. Pump 5794 gal treated water pre-pad. Pump 3150 Hybor G pre-pad. Pump 29951 gal Hybor G Pad, 57266 gal Hybor G w/ 142586# 20/40 CRC prop. Pump 1035 gal 15% Ferchek acid. Pump 8722 gal treated water flush. Max rate=71 bpm, Avg rate=69 bpm, Max psi=4887 psi, Avg psi=4035 psi, ISIP=2409 psi. Total load=107429 gal STG 5: Perf Dean 09:21-10:22 RU Halliburton Wireline. RIH w/ 5 1/2 " composite plug. Set @ 9785'. Perf Dean Formation w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Dean formation @ 9726, 9659, 9582, 9516, 9454. Total shots=46 &amp; fired=46. Net feet =275'. Reference log Halliburton CNL/GR/CCL dated 7-2-12 STG 5: Frac Dean 10:34-11:25 RU Halliburton frac Dean zone. Breakdown at 1895 psi @ 9.7 bpm. Pump 1026 gal 15% Ferchek acid. Pump 5736 gal treated water pre-pad. Pump 2588 Hybor G pre-pad. Pump 39769 gal Hybor G Pad, 71338 gal Hybor G w/ 182203# 20/40 Ottawa prop, Pump 1001 gal 15% Ferchek acid Pump 8135 gal treated water flush. Max rate=71 bpm, Avg rate=70 bpm, Max psi=4121 psi, Avg psi=3036 psi, ISIP=1626 psi. Total load=129593 gal STG 6: Perf Lower Sprayberry 11:39-12:30 RU Halliburton Wireline. RIH w/ 5 1/2 " composite plug. Set @ 9235'. Perf Lower Sprayberry Formation w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Lower Sprayberry formation @ 9152, 9094, 9030, 8972, 8914. Total shots=48 &amp; fired=48. Net feet =241'. Reference log Halliburton CNL/GR/CCL dated 7-2-12 STG 6: Frac Lower Sprayberry 12:55-13:45 RU Halliburton frac Dean zone. Breakdown at 1499 psi @ 13.7 bpm. Pump 1501 gal 15% Ferchek acid. Pump 5676 gal treated water pre-pad. Pump 3758 Hybor G pre-pad. Pump 41998 gal Hybor G Pad, 67903 gal Hybor G w/ 167672# 20/40 Ottawa prop, Pump 8621 gal treated water flush. Max rate=72 bpm, Avg rate=71 bpm, Max psi=2924 psi, Avg psi=2527 psi, ISIP=1281 psi. Total load=129458 gal Field Cost Halliburton FRAC= 577467.29 Halliburton Wireline=47725.02 Tools=18806.30 Water transfer= 10086 Log=16020.46</p>
Frac - Sand		<p>STG 5: Frac Dean 10:34-11:25  RU Halliburton frac Dean zone. Breakdown at 1895 psi @ 9.7 bpm. Pump 1026 gal 15% Ferchek acid. Pump 5736 gal treated water pre-pad. Pump 2588 Hybor G pre-pad. Pump 39769 gal Hybor G Pad, 71338 gal Hybor G w/ 182203# 20/40 Ottawa prop, Pump 1001 gal 15% Ferchek acid Pump 8135 gal treated water flush. Max rate=71 bpm, Avg rate=70 bpm, Max psi=4121 psi, Avg psi=3036 psi, ISIP=1626 psi. Total load=129593 gal</p>

Wireline - Bridge Plug - Composite - Set Wireline		RU Halliburton Wireline. RIH w/ 5 ½ " composite plug. Set @ 9235'.
Wireline - Bridge Plug - Composite - Set Wireline		RU Halliburton Wireline. RIH w/ 5 ½ " composite plug. Set @ 9785'.
Wireline - Bridge Plug - Composite - Set Wireline		RU Halliburton Wireline. RIH w/ 5 ½ " composite plug. Set @ 10205'.
Wireline - Perforate Casing/Liner		STG 4: Perf Upper Wolfcamp Zone 07:00-08:00 Perf Upper Wolfcamp w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Upper Wolfcamp @ 10128, 10090, 10043, 10010, 9962. Total shots=47 & fired=47. Net feet =169'. Reference log Halliburton CNL/GR/CCL dated 7-2-12
Frac - Sand		STG 4: Frac Upper Wolfcamp 08:23-09:09 RU Halliburton frac Upper Wolfcamp zone. Breakdown at 3176 psi @ 4.7 bpm. Pump 1511gal 15% Ferchek acid. Pump 5794 gal treated water pre-pad. Pump 3150 Hybor G pre-pad. Pump 29951 gal Hybor G Pad, 57266 gal Hybor G w/ 142586# 20/40 CRC prop. Pump 1035 gal 15% Ferchek acid. Pump 8722 gal treated water flush. Max rate=71 bpm, Avg rate=69 bpm, Max psi=4887 psi, Avg psi=4035 psi, ISIP=2409 psi. Total load=107429 gal
Wireline - Perforate Casing/Liner		STG 5: Perf Dean 09:21-10:22 Perf Dean Formation w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Dean formation @ 9726, 9659, 9582, 9516, 9454. Total shots=46 & fired=46. Net feet =275'. Reference log Halliburton CNL/GR/CCL dated 7-2-12
Wireline - Perforate Casing/Liner		STG 6: Perf Lower Sprayberry 11:39-12:30 Perf Lower Sprayberry Formation w/ 3 1/8" csg gun perf. using 3319-331T charges 19 gm wt. 0.42" EHD, 42" penetration, 6 SPF, 60 degree phasing. Perforate Lower Sprayberry formation @ 9152, 9094, 9030, 8972, 8914. Total shots=48 & fired=48. Net feet =241'. Reference log Halliburton CNL/GR/CCL dated 7-2-12
Frac - Sand		STG 6: Frac Lower Sprayberry 12:55-13:45 RU Halliburton frac Dean zone. Breakdown at 1499 psi @ 13.7 bpm. Pump 1501 gal 15% Ferchek acid. Pump 5676 gal treated water pre-pad. Pump 3758 Hybor G pre-pad. Pump 41998 gal Hybor G Pad, 67903 gal Hybor G w/ 167672# 20/40 Ottawa prop, Pump 8621 gal treated water flush. Max rate=72 bpm, Avg rate=71 bpm, Max psi=2924 psi, Avg psi=2527 psi, ISIP=1281 psi. Total load=129458 gal
<b>Total Cost for 07/07/2012</b>	<b>\$653,198.63</b>	
<b>07/23/2012</b>		
Daily Summary		7/23/12 CUDD 277 CHLOE #8 WOC: JODY IGLEHART CREW ARRIVED ON LOCATION, AND HELD A JSA SAFETY MEETING. CREW SPOTTED, AND RIGGED UP THE COIL EQUIPMENT. RIGGED TO WELL, AND PRESSURE TESTED THE WELL HEAD TO 3000 PSI. OPENED THE WELL, AND RAN IN THE HOLE WITH 2.88" COIL CONNECTOR, 2.88" HYDRAULIC DISCONNECT, 2.88" DUAL CIRCULATING SUB, 2.88" TITAN MOTOR, AND 4.75" FIVE BLADED MILL. CREW STARTED IN THE HOLE, CIRCULATING AT .5 BPM. RAN DOWN TO 600, AND THE COIL UNITS CLUTCH FAN WENT OUT. THEY PULLED OUT OF THE HOLE, BUMPED UP AT SURFACE, AND SECURED THE WELL. WAITING ON MECHANIC TO ARRIVE, AND FIX COIL UNIT. SHUT DOWN CREW. NDP: DRILL OUT 5 PLUGS DAILY COST: \$21,774.00 ACCUMULATIVE COST: \$696,057.00
Rig Crew Travel Time		CREW DROVE TO THE YARD
Shut-in Overnight		SECURED THE WELL, AND SHUT DOWN
Safety Procedure/Equipment		MECHANIC ARRIVED, AND FIXED COIL UNIT
Waiting on Service Provider		WAITING ON CUDD MECHANIC TO ARRIVE ON LOCATION.
Coil Tubing - Cleanout - Other		OPENED THE WELL, AND RAN IN THE HOLE WITH 2.88" COIL CONNECTOR, 2.88" HYDRAULIC DISCONNECT, 2.88" DUAL

		CIRCULATING SUB, 2.88" TITAN MOTOR, AND 4.75" FIVE BLADED MILL. CREW STARTED IN THE HOLE, CIRCULATING AT .5 BPM. RAN DOWN TO 600, AND THE COIL UNITS CLUTCH FAN WENT OUT. THEY PULLED OUT OF THE HOLE, BUMPED UP AT SURFACE, AND SECURED THE WELL.
Coil Tubing - Cleanout		CREW SPOTTED, AND RIGGED UP THE COIL EQUIPMENT. RIGGED TO WELL, AND PRESSURE TESTED THE WELL HEAD TO 3000 PSI.
Safety Meeting		HELD JSA SAFETY MEETING
Rig Crew Travel Time		CREW DROVE TO LOCATION
Job Cost Detail Report		
<b>Total Cost for 07/23/2012</b>	<b>\$21,774.00</b>	
<b>07/24/2012</b>		
Rig Travel Time		CREW DROVE EQUIPMENT TO THE CONSTANCE #8
Shut-in Overnight		THEY SECURED THE WELL, AND SHUT DOWN.
Coil Tubing - Cleanout		BUMPED UP AT SURFACE, RIGGED OFF WELL, AND LAID DOWN TOOLS. THEY BLEW THE REEL DRY, AND RIGGED DOWN THE COIL EQUIPMENT
Coil Tubing - Cleanout - Other		OPENED THE WELL, AND RAN IN THE HOLE WITH THE SAME TOOLS (COIL CONNECTOR, HYDRAULIC DISCONNECT, DUAL CIRCULATING SUB, TITAN MOTOR, AND FIVE BLADED MILL). STARTED IN THE HOLE CIRCULATING AT .5 BPM, AND INCREASING FLUID RATE TO 3 BPM AT 9000. TAGGED THE PLUGS AT 9237, 9786, 10,206, 10,710, 10,995, AND DRILLED UP EACH PLUG IN AN AVERAGE OF 25 MIN. PUMPED A 10 BBL SWEEP BEFORE AND AFTER EACH PLUG. RAN DOWN, TAGGED PBSD AT 11,365, AND CIRCULATED BOTTOMS UP WITH 213 BBLs OF FRESH WATER AT 3 BPM, AND N2 AT 700 SCFM. PULLED UP ABOVE THE PERFS AT 8900, AND CIRCULATED BOTTOMS UP WITH 183 BBLs WITH FRESH WATER AT 3 BPM, AND N2 AT 700 SCFM. PULLED OUT OF THE HOLE
Safety Meeting		HELD SAFETY MEETING, AND JSA
Rig Crew Travel Time		CREW TRAVEL TO LOCATION
Job Cost Detail Report		
Daily Summary		<p>7/24/12            CUDD 277 CHLOE #8            WOC: JODY IGLEHART CREW ARRIVED ON LOCATION, AND HELD A JSA SAFETY MEETING. CREW RETESTED THE WELL HEAD TO 3000 PSI, OPENED THE WELL, AND RAN IN THE HOLE WITH THE SAME TOOLS (COIL CONNECTOR, HYDRAULIC DISCONNECT, DUAL CIRCULATING SUB, TITAN MOTOR, AND FIVE BLADED MILL). STARTED IN THE HOLE CIRCULATING AT .5 BPM, AND INCREASING FLUID RATE TO 3 BPM AT 9000. TAGGED THE PLUGS AT 9237, 9786, 10,206, 10,710, 10,995, AND DRILLED UP EACH PLUG IN AN AVERAGE OF 25 MIN. PUMPED A 10 BBL SWEEP BEFORE AND AFTER EACH PLUG. RAN DOWN, TAGGED PBSD AT 11,365, AND CIRCULATED BOTTOMS UP WITH 213 BBLs OF FRESH WATER AT 3 BPM, AND N2 AT 700 SCFM. PULLED UP ABOVE THE PERFS AT 8900, AND CIRCULATED BOTTOMS UP WITH 183 BBLs WITH FRESH WATER AT 3 BPM, AND N2 AT 700 SCFM. PULLED OUT OF THE HOLE, BUMPED UP AT SURFACE, RIGGED OFF WELL, AND LAID DOWN TOOLS. THEY BLEW THE REEL DRY, AND RIGGED DOWN THE COIL EQUIPMENT. THEY SECURED THE WELL, AND SHUT DOWN. NDP: JOB COMPLETE, AND PLACED IN SUSPENDED STATUS. WELL READY FOR PRODUCTION. DAILY COST: \$60,916.84 ACCUMULATIVE COST: \$756,973.84</p>
<b>Total Cost for 07/24/2012</b>	<b>\$60,916.84</b>	
<b>08/07/2012</b>		

Well Control - Kill Well - Brine		With revrse unit bullhead 160 bbls 103 b/w down casing.
Rig Crew Travel Time		Drove crew to llocation.
Casing - Check Pressure		SICP- 50 psi
Pulling Unit - Rig Up		Rig up pulling unit.
Safety Meeting		HTGSM [ do jsa on rigging up ] LOTO
Rig Travel Time		Road rig to location.
Shut-in Overnight		Secure well sion.
Daily Summary		8-7-12 CHLOE 8 KEY 191 WOC- Juan Rondan Finish washing rig at Key yard. Road rig to location. HTGSM. LOTO. Rig up pulling unit. SICP- 50 psi. Bullhead 160 bbls b/w down casing. Secure well sion. NDP- Nipple down frac valve. Nipple up bop. Pick up 4 3/4" bit and 2 7/8" L-80 tbg.
Job Cost Detail Report		
<b>Total Cost for 08/07/2012</b>	<b>\$102,800.00</b>	
<b>08/08/2012</b>		
Daily Summary		8-8-12 CHLOE 8 KEY 191 WOC- Juan Rondan DCTL HTGSM Do jsa [ on nipple down frac valve ] SICP- 0 psi. Nipple down frac valve. Function test and Nipple up bop. Pick up 4 3/4" bit and 5500' of 2 7/8" L-80 tbg NDP- Rig up foam air unit. Run bit to pbtb and circulate well clean. Daily cost-. 101,900.00 Cum cost-\$ 858,873.84
Rig Crew Travel Time		Drove crew to location
Safety Meeting		HTGSM do jsa [ on niple down frac valve ]
Tubing - Tally		Tally and take protecters off 2 7/8" L-80 tbg.
Break for Crew		Lunch break.
Tubing - Run		Pick up 4 3/4" bit, bit sub and 5500' [ 173 jts ] of 2 7/8" L-80.
Shut-in Overnight		Secure well sion.
Rig Crew Travel Time		drove crew home.
Casing - Check Pressure		SICP- 0 psi
Frac Valve - Nipple Down		Nipple down frac valve.
BOPE Hydraulic - Nipple Up		Function test and nipple up 7 /16" 5000# hydraulic bop.
Job Cost Detail Report		
<b>Total Cost for 08/08/2012</b>	<b>\$11,497.02</b>	
<b>08/09/2012</b>		
Rig Crew Travel Time		Drove crew to location.
Safety Meeting		Do jsa [ on picking up tubing ]
Casing - Check Pressure		SICP- 0 psi
Tubing - Check Pressure		SITP- 0 psi
Tubing - Run		Tally and pick up 120 jts 2 7/8" L-80
Break for Crew		Lunch break
Tubing - Run		Pick up 62 jts 2 7/8" with 4 3/4" bit tag at 11,350' [ called it good ]
Tubing - Pull		Pull 100 stands blue
Shut-in Overnight		Secure well sion.

Rig Crew Travel Time		Drove crew home.
Daily Summary		8-9-12 CHLOE 8 KEY 191 WOC- Juan Rondan DCTL HTGSM Do jsa [picking up rods ] Well was dead. Pick up 182 jts 2 7/8" L-80.. with 4 3/4" bit tag 11,350' POH with 100 stands. Secure well sion. NDP- POH with bit and run RBP and PKR. Daily cost-. 9,693.00 Cum cost-\$ 880,963.84
Job Cost Detail Report		
<b>Total Cost for 08/09/2012</b>	<b>\$9,743.04</b>	
<b>08/10/2012</b>		
Tubing - Run		RIH with 5 1/2" RBP and PKR with 275 jts 2 7/8" . Leave tools swinging at 8800'
Shut-in Overnight		Secure well sion.
Rig Crew Travel Time		drove crew home.
Rig Crew Travel Time		Drove crew to location.
Safety Meeting		HTGSM Do jsa [on pulling tbg ]
Tubing - Check Pressure		SITP- 0 psi
Casing - Check Pressure		SICP- 0 psi.
Tubing - Pull		POH with 70 stands 2 7/8" . Lay down bit and bit sub.
Break for Crew		Lunch break
Daily Summary		8-10-12 CHLOE 8 KEY 191 WOC- Juan Rondan DCTL HTGSM Do jsa [pulling tbg ] Well was dead. POH with 70 stands.Pick up 5 1/2" rbp and packer. and 275 jts 2 7/8" Leave rbp and pkr at 8800' NDP- Do scale squeeze. Daily cost-. 9,693.00 Cum cost-\$ 880,963.84
Job Cost Detail Report		
<b>Total Cost for 08/10/2012</b>	<b>\$8,575.98</b>	
<b>08/11/2012</b>		
Casing - Check Pressure		DSICP- 0 psi
Tubing - Run		RIH with 70 jts 2 7/8" L-80.
Bridge Plug - Retrievable - Set		Set RBP @ 11,210'
Packer - Set		Pull 36 jts and set pkr @ 10,066'
Chemical Treatment - Scale Squeeze		Pump 75 bbls f/w mixed with 55 gallons EC6490A and start pumping 250 bbls f/w mixed with 6 gallons of EC6106A flush. When 175 bbls were pumped pressure cummunicated aroud casing. Quit pumping.
Well Control - Kill Well - Brine		SITP- 200 psi and SICP- 200 psi. Bled down pressure. Pump 200 bls 10# brine down casinf and 60 bbls b/w down tbg. ISIP- 150 psi.
Rig Crew Travel Time		Drove crew to location.
Safety Meeting		HTGSM Do ja [ running tbg ]
Tubing - Check Pressure		SITP- 0 psi
Shut-in Overnight		Secure well sion,
Rig Crew Travel Time		Drove crew home.
Daily Summary		8-11-12 CHLOE 8 KEY 191 DCTL HTGSM Well was dead. Run tbg and set RBP @ 11,210 and pull up and set pkr @ 10,066' do scale squeeze on perfs 11,193' to 10,427' Pump 55 gallons of EC6490A mixed with 75 bbls f/w. And start 250 bbls f/w flush mixed with 6 gallons of EC6106A. Pump 175 bbls of flush and communicated and start to flow out of casing. Qiut pumping. SICP- 200 psi and SITP- 200 psi. Pump 200 bbls down

		casing SICP- 150 psi. Pump 60 bbls b/w down tbg, Secure well sion.
Job Cost Detail Report		
<b>Total Cost for 08/11/2012</b>	<b>\$12,325.07</b>	
<b>08/12/2012</b>		
Rig Crew Travel Time		Drove crew to location.
Safety Meeting		HTGSM Do jsa [ Hand placement
Casing - Check Pressure		SICP- 0 psi
Tubing - Check Pressure		SITP- 30 psi
Packer - Pull		Bled down tbg. Pull 36 jts. Det pkr @ 8837'
Chemical Treatment - Scale Squeeze		Pump 75 bbls f/w mixed with 55 gallons EC6490A into perfs and flush with 350 bbls f/w mixed 9 gallons EC6106A . ISIP- 600 psi.
Shut-in Overnight		Secure well sion.
Rig Crew Travel Time		Drove crew home.
Daily Summary		8-12-12 CHLOE 8 KEY 191 DCTL HTGSM. SITP- 30 psi and SICP- 0 psi.Bled well down. pull up and set packer at 8837'. Mix 55 gallons of EC6490A with 75 bbls f/w pump into top perfs and flush with flush with 350 bbls mixed with 9 gallons of EC6106A. ISITP- 600 psi. Secure well sion. NDP- Kill well poh with tbg . Daily cost-. 9,693.00 Cum cost-\$ 880,963.84
Job Cost Detail Report		
<b>Total Cost for 08/12/2012</b>	<b>\$11,136.00</b>	
<b>08/13/2012</b>		
Daily Summary		8-13-12 Chloe 8 Key 191 Randy Wake 700 psi on the Tbg, bleed well down to 300 psi to the pit, released the packer and continued to bleed well to the pit. pumped 85 bbls of 10# brine down the Tbg and charged the well up. Bleed well to the pit. circulated 160 bbls of 10# brine down the Tbg and out the Csg and finally killed the well. Secure the well and SION NDP: POOH w/ the plug and packer. RIH w/ production Daily cost: \$ 11,000.00 Cum cost: \$ 924,000.84
Rig Crew Travel Time		drive crew to location
Safety Meeting		tailgate safety meeting
Tubing - Check Pressure		700 psi on the tbg
Well Control - Bleed Well Down		bleed well down to 300 psi to the pit
Packer - Unseat		released the packer and continued to bleed well to the pit
Well Control - Kill Well - Brine		pumped 85 bbls of 10# brine down the Tbg and charged the well up
Well Control - Bleed Well Down		Bleed well to the pit
Well Control - Circulate - Brine		circulated 160 bbls of 10# brine down the Tbg and out the Csg and finally killed the well
Shut-in Overnight		Secure the well and SION
Rig Crew Travel Time		drive crew to the house
Job Cost Detail Report		
<b>Total Cost for 08/13/2012</b>	<b>\$11,000.07</b>	
<b>08/14/2012</b>		
Tubing - Run		RIH w/ 70 jts of 2 7/8 L-80 Tbg down to RBP at 11210

Bridge Plug - Retrievable - UnSeat		Latch onto RBP and release
Packer & Plug - Pull		POOH w/ 352 jts of 2 7/8 L-80 Tbg and plug & packer. Laid down the packer and plug
Break for Crew		LUNCH
Tubing - Run		RIH w/ 2 7/8 bull plug, 2 7/8 12-slot sand screen, 2 7/8 MHD SN, 2 jts of 2 7/8 TK-99, 4 jts of 2 7/8 L-80 Tbg, 2 7/8 x 5 1/2 TAC, 2 jts of 2 7/8 L-80 Tbg, 2 7/8 x 4' L-80 marker sub, 188 jts of 2 7/8 L-80 Tbg
Shut-in Overnight		SECURE THE WELL AND SION
Rig Crew Travel Time		DRICE CREW TO LOCATION
Safety Meeting		TAILGATE SAFETY MEETING
Tubing - Check Pressure		TBG ON A VACUUM
Rig Crew Travel Time		DRIVE CREW TO THE HOUSE
Job Cost Detail Report		
Daily Summary		8-14-12 Chloe 8 Key 191 Randy Wake Tbg on a vacuum. RIH w/ 70 jts of 2 7/8 L-80 Tbg down to RBP at 11210'. Latch onto RBP and release. POOH w/ 352 jts of 2 7/8 L-80 Tbg and plug & packer. Laid down the packer and plug. RIH w/ 2 7/8 bull plug, 2 7/8 12-slot sand screen, 2 7/8 MHD SN, 2 jts of 2 7/8 TK-99, 4 jts of 2 7/8 L-80 Tbg, 2 7/8 x 5 1/2 TAC, 2 jts of 2 7/8 L-80 Tbg, 2 7/8 x 4' L-80 marker sub, 188 jts of 2 7/8 L-80 Tbg. Secure the well and SION NDP: Finish running in the hole w/ Tbg, Change over to RIH w/ rods Daily cost: \$ 11,000.00 Cum cost: \$ 935,000.84
<b>Total Cost for 08/14/2012</b>	<b>\$10,310.32</b>	
<b>08/15/2012</b>		
Job Cost Detail Report		
Rig Crew Travel Time		Drove crew to Location
Safety Meeting		Had a stand down
Tubing - Check Pressure		Tubing was on vacuum
Tubing - Run		RIH with 168 jts 2 7/8" L-80
Break for Crew		Lunch break
Tubing Anchor - Set		With 244 jts to marker sub. Set tac @ 11,014'
BOPE Hydraulic - Nipple Down		Nipple down 7 1/16 5k hydraulic bop.
Wellhead - Nipple Up		Pull 20 pt tension on tac and flange well up.
Equipment - Load/Unload		Help unload and spot rod string.
Shut-in Overnight		Secure well. SION.
Rig Crew Travel Time		Drove crew home.
Daily Summary		8-15-12 Chloe 8 Key 191 Randy Wake DCTL HTGSM . Well was dead. RIH with 168 jts 2 7/8" L-80. Set tac 11,014 with 20 pt tension. Nipple down bop. Flange well up. Unload rods. Pump hadn't showed up. Secure well sion. NDP- Pick up pump and rods. Daily cost: \$ 11,000.00 Cum cost: \$ 935,000.84
<b>Total Cost for 08/15/2012</b>	<b>\$49,243.00</b>	
<b>08/16/2012</b>		
Daily Summary		8-16-12 Chloe 8 Key 191

		Juan Rondan DCTL HTGSM . Well was dead, Wait on Wilson pump for 3 1/2 hours' Pick up 2.5" x 1.50" x 24' HVR grooved plunger pump, 3/4" rhr box. 6- 1.50" kbars and 200- 3/4" HD rods. Pick up polish rod. Secure well sion. NDP- Pick up rest of rods. Daily cost: \$ 10,655.00 Cum cost: \$ 994,898.84
Job Cost Detail Report		
Shut-in Overnight		Pick up polish rod. Secure well sion.
Rig Crew Travel Time		Drove crew home.
Rig Crew Travel Time		Drove crew to location
Safety Meeting		HTGSM Do jsa [ on picking up rods ]
Tubing - Check Pressure		SITP - 0psi
Site Work		Take thread pprotecters off rods and put rod boxes on. Pick up trash around location.
Waiting on Service Provider		Wait on Wilson to deliver pump. [ Wilson was called the day before @ 3 p.m. to be on location at 7: 30 a.m. today ]
Site Work		Pick up 2.5" x 1.50" x 24' HVR grooved plunger pump, 3/4" RHR box, 6-1.50" kbars and 20- 3/4" hd rods.
Break for Crew		Lunch break.
Site Work		Pick up 100- 3/4" rods taking thread protecters and putting rod boxe on.
Break for Crew		Water break for crew
Site Work		Pick up 80- 3/4" rods taking thread protecters and putting rod boxe on.
<b>Total Cost for 08/16/2012</b>	<b>\$10,654.92</b>	
<b>08/17/2012</b>		
Job Cost Detail Report		
Daily Summary		8-17-12 Chloe 8 Key 191 Juan Rondan DCTL HTGSM . Well was dead, Pick up t84-3/4" , 155-7/8" Load tbg test to 500 psi. Rig broke down. Will repair on saturday. NDP- Hang well on, Space pump out and rig diwn. Move to Carrie13. Daily cost: \$ 10,200.00 Cum cost: \$ 1,005,098.84
Safety Meeting		HTGSM Do jsa [ on running rods ]
Tubing - Check Pressure		SITP- 0 psi
Rods - Run		Lay down polish rod. Pick up 84-3/4" and 55-7/8" HD rods
Break for Crew		Lunch break.
Rods - Run		Pick up 100- 7/8" and polish rod.
Tubing - Pressure Test		Load tbg with 8 bbls and test to 500 psi. Held good. Cluth on rig was loosing pressure.
Shut-in Overnight		Secure well sion
Rig Crew Travel Time		Drove crew home.
Safety Meeting		Went to Oxy weekly safet meeting
Rig Crew Travel Time		Drove crew to location.
<b>Total Cost for 08/17/2012</b>	<b>\$10,199.95</b>	
<b>08/20/2012</b>		
Rig Crew Travel Time		DRIVE CREW TO THE HOUSE
Job Cost Detail Report		

Rig Crew Travel Time		DRIVE CREW TO LOCATION
Safety Meeting		TAILGATE SAFETY MEETING
Tubing - Check Pressure		0 PSI ON THE TBG
Casing - Check Pressure		0 PSI ON THE CSG
Tubing - Pressure Test		Load the well w/ 15 bbls of 10# brine. Pressure test the Tbg to 500 psi, held good
Pump - Longstroke		Long stroked the pump and had good pump action
Pump - Space Out		Space out the pump 35" off bottom
Pulling Unit - Rig Down		Rigged down the double derrick pulling unit
Daily Summary		8-20-12 Chloe 8 Key 191 Randy Wake 0 psi on the well. hung the well on. Load the well w/ 15 bbls of 10# brine. Pressure test the Tbg to 500 psi, held good. Long stroked the pump and had good pump action. Space out the pump 35" off bottom. Rigged down the double derrick pulling unit. SION Daily cost: \$ 9,100.00 Cum cost: \$ 1,014,198.84
<b>Total Cost for 08/20/2012</b>	<b>\$7,832.74</b>	
<b>Total Cost for CHLOE-8</b>	<b>\$1,040,428.04</b>	