

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

05/10/2012

Day #0

MIRU Academy #204.

DWC: \$99,815

CWC: \$99,815

05/11/2012

Day #1 Depth: 896' Current operation: Drilling at 896'.

Spud well at 6 am 5/10/2012. Drill 17-1/2" surface hole to 896'. Dev surveys - .9° at 240', 3.6° at 440', 2.3° at 657', 2.3° at 784'.

MW = 8.3 ppg, Visc = 30.

DWC: \$23,600.

CWC: \$123,415

05/12/2012

Day #2 Depth: 1310' Current operation: Drilling at 1310'.

Drill 17-1/2" surface hole to from 896' to 1127'. TOH to change BHA. TIH. Drill from 1127' to 1310'. Dev surveys – 1.3° at 999', 1.2° at 1121', .9° at 1253'.

MW = 8.3 ppg, Visc = 30.

DWC: \$18,900.

CWC: \$142,315.

05/13/2012

Day #3 Depth: 1800' Current operation: Drilling at 1800'.

Drill 17-1/2" surface hole to from 1310' to 1800'. Dev surveys – .5° at 1681'.

MW = 8.3 ppg, Visc = 30.

DWC: \$22,900.

CWC: \$165,215

05/14/2012

Day #4 Depth: 1891' Current operation: Running 13-3/8" surface casing.

Drill 17-1/2" surface hole to from 1800' to 1891'. Circ well. TOH for surface casing.

RU casing crew and work on boom. RU and run 45 jts (1894') 13-3/8" 54.5#/ft J-55 STC casing to 1891' - 4 hours lost time due to Smith casing crew cross threading float equip. Ran 12 bow string centralizers spaced evenly on casing. Dev surveys – .5° at 1890'.

MW = 9.4 ppg, Visc = 33.

DWC: \$28,900.

CWC: \$193,515

05/15/2012

Day #5 Depth: 1891' Current operation: NU BOP

RU O-tex and cement surface casing with 1700 sx Class C with 4% gel + 5% salt + 1/8 pps Celloflake (mixed at 13.5 ppg with a yield of 1.77 cu ft/sk) followed by 200 sx Class C with 2% Cacl₂ (mixed at 14.8 ppg with a yield of 1.33 cu ft/sk). Full circulation throughout job. Circ 590 sx to pit. Plug down at 9:30 am 5/14/2012. WOC 6 hours. Cut

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

off casing and weld on casing head. Test well head – held OK. NU BOP. Slip and cut drilling line. Attempt to test BOP – no test. Tighten BOP.

MW = 8.8 ppg, Visc = 29.

DWC: \$87,004.

CWC: \$280,519

05/16/2012

Day #6 Depth: 2885' Current operation: Drilling at 2885'

Tighten BOP and test. Test good. TIH with bit #2 and BHA. Drill out float collar, shoe jt and float shoe. Drill from 1891' to 2885'. Dev surveys – .4° at 2367', .3° at 2794'.

MW = 9.4 ppg, Visc = 29.

DWC: \$18,900.

CWC: \$299,419

05/17/2012

Day #7 Depth: 3738' Current operation: Drilling at 3738'

Drill from 2885' to 2927'. Trip into surface casing for swivel repair. Repair swivel for 7 hours. TIH and resume drilling. Drill from 2927' to 3738'. Dev surveys – .1° at 3225', .4° at 3647'.

MW = 9.8 ppg, Visc = 30.

DWC: \$21,810.

CWC: \$321,229.

05/18/2012

Day #8 Depth: 4640' Current operation: Drilling at 4640'

Drill from 3738' to 4640'. Dev surveys – .4° at 4073', .6° at 4500'.

MW = 9.8 ppg, Visc = 30.

DWC: \$21,600.

CWC: \$342,829.

05/19/2012

Day #9 Depth: 5330' Current operation: Drilling at 5330'

Drill from 4640' to 5330'. Dev surveys – .4° at 4930'.

MW = 9.8 ppg, Visc = 30.

DWC: \$19,360.

CWC: \$362,189.

05/20/2012

Day #10 Depth: 6508' Current operation: Drilling at 6508'

Drill from 5330' to 6508'. Dev surveys – .6° at 5352', .4° at 5783', .5° at 6211'.

MW = 9.8 ppg, Visc = 31.

DWC: \$27,302.

CWC: \$389,391.

05/21/2012

Day #11 Depth: 6650' Current operation: Drilling at 6650'

Drill from 6508' to 6565'. TOH for bit #3. TIH with bit #3. Drill from 6565' to 6650'.

MW = 9.8 ppg, Visc = 31.

DWC: \$21,593.

CWC: \$410,984.

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

05/22/2012

Day #12 Depth: 6780' Current operation: Circ and prep to cement.
Drill from 6650' to 6780'. Circ and condition mud. TOH for intermediate. RU casing crew and run 69 jts (2808.91') of 8-5/8", 32#, HCK55, LTC Casing followed by 88 jts (3967.29') of 8-5/8", 32#, J-55, LTC Casing. Set casing at 6780'. Circ and condition mud. Dev surveys – .6° at 6661', .3° at 6752'.
MW = 9.8 ppg, Visc = 31. WL: 11.
DWC: \$50,778. CWC: \$461,762.

05/23/2012

Day #13 Depth: 6940' Current operation: Drilling at 6940'.
Cement 8-5/8" casing with 750 sx 50:50 Class C cement with 10% gel + 5% salt + 1/8#/sk Celloflake + 2#/sk Kolseal (mixed at 11.8 ppg with 2.45 cu ft/sk) followed by 425 sx Class C Neat (mixed at 14.8 ppg with 1.34 cu ft/sk). Full circulation throughout job. Plug down at 10:30 am 5/22/2012. ND BOP's and set slips. NU and test BOP. Test good. Slip and cut drilling line. PU bit #4 and BHA and TIH. Drill cement in casing. Drill new formation from 6780' to 6940'.
MW = 8.5 ppg, Visc = 30.
DWC: \$67,537. CWC: \$529,299.

05/24/2012

Day #14 Depth: 7580' Current operation: Drilling at 7580'.
Drill from 6940' to 7580'. Dev surveys – .2° at 7110', .3° at 7490'.
MW = 8.6 ppg, Visc = 29. WL: NC.
DWC: \$19,950. CWC: \$549,249.

05/25/2012

Day #15 Depth: 8183' Current operation: Drilling at 8183'.
Drill from 7580' to 8183'. Dev surveys – .0° at 7921'.
MW = 8.7 ppg, Visc = 30. Chlorides: 30,000. WL: NC.
DWC: \$24,087. CWC: \$573,336.

05/26/2012

Day #16 Depth: 8635' Current operation: Drilling at 8635'.
Drill from 8183' to 8635'. Dev surveys – 1.3° at 8388'.
MW = 8.5 ppg, Visc = 31. Chlorides: 28,000. WL: NC.
DWC: \$23,692. CWC: \$597,028.

05/27/2012

Day #17 Depth: 9201' Current operation: Drilling at 9201'.
Drill from 8635' to 9201'. Dev surveys – 1.1° at 8788'.
MW = 8.7 ppg, Visc = 40.
DWC: \$21,354. CWC: \$618,382.

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

05/28/2012

Day #18 Depth: 9655' Current operation: TOH for bit change.
Drill from 9201' to 9655'. TOH for bit #5. Dev surveys – 1.1° at 9196'.
MW = 8.6 ppg, Visc = 36, WL = 35, Chlorides = 18,000.
DWC: \$46,070. CWC: \$664,452.

05/29/2012

Day #19 Depth: 9865' Current operation: Drilling at 9865'.
Finish TOH with bit #4. TIH with bit #5. Drill from 9655' to 9865'. Dev surveys – .9° at 9613'.
MW = 8.6 ppg, Visc = 42, WL = 18, Chlorides = 22,000.
DWC: \$23,001. CWC: \$687,453.

05/30/2012

Day #20 Depth: 10,360' Current operation: Drilling at 10,360'.
Drill from 9865' to 10,360'. Dev surveys – .5° at 10,053'.
MW = 9.0 ppg, Visc = 47, WL = 18, Chlorides = 25,000.
DWC: \$36,658. CWC: \$717,091

05/31/2012

Day #21 Depth: 10,836' Current operation: Drilling at 10,836'.
Drill from 10,360' to 10,836'. Dev surveys – .9° at 10,481'.
MW = 8.7 ppg, Visc = 44, WL = 12, Chlorides = 22,000.
DWC: \$31,965. CWC: \$743,649

06/01/2012

Day #22 Depth: 10,860' Current operation: TOH.
Drill from 10,836' to 10,860'. TOH for bit #6. MU bit and TIH. Hit tight spot in casing at +/- 800'. Try to ream through tight spot for 6 hours. TOH.
MW = 8.7 ppg, Visc = 50, WL = 9, Chlorides = 25,000.
DWC: \$31,965. CWC: \$775,614

06/02/2012

Day #23 Depth: 10,860' Current operation: Fishing with overshot.
TOH. Bit was torn up. ND BOP. Spear casing and pick up. Pull slips. Pull out and lay down 3 jts casing. TIH with spear. Spear casing and TOH. Recovered 6 jts casing. TIH with spear and spear casing. TOH with 8 jts casing with collar on bottom joint (pin looking up in hole). TIH with spear. Could not spear casing. Apparently at top of bad joint. TIH with overshot.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$29,276. CWC: \$804,890

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

06/03/2012

Day #24 Depth: 10,860' Current operation: WO dialog free point truck.
Could not get overshot over fish. TOH. TIH with 9-5/8" skirted mill. Mill torqueing up at top of fish at 774'. TOH with skirted mill. TIH with 12" concave mill. Mill 1-1/2' of casing. TOH. Mill showed casing centered in hole. TIH with overshot and grapple. Could not catch fish, TOH. TIH with spear with stop. Could not catch fish, TOH. Remove stop. TIH with spear. Latch fish. Pull 90,000 on casing. Slack off casing and WO free point truck.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$29,930. CWC: \$834,820

06/04/2012

Day #25 Depth: 10,860' Current operation: WO Mill.
WO wireline truck. RU wireline. Tool would not go in hole. Apparently have screen in star sub. Unlatch fish. Lay down one joint DP. Remove star sub and screen. PU one jt DP. Attempt to catch fish. Could not latch. TOH. Left grapple in hole. Redress spear and TIH. Latch fish. Attempt to run freepoint tool. Could not get below spear. Unlatch from fish. TOH. Left 2nd grapple in hole. Run 7-7/8" bit in hole. Could not get in top of fish at 766'. TOH. TIH with 12" concave mill. Mill on casing. Make 1-1/2'. TOH with mill. Mill showed wear in middle with cutright missing. TIH open ended with drill pipe. Set down at TOF. TOH. WO mill.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$36,052. CWC: \$870,872

06/05/2012

Day #26 Depth: 10,860' Current operation: Running Downhole Video
WO mill. TIH with 10-3/4" skirted mill. Cut 1' casing. TOH with mill. TIH with magnet. TOH with magnet – no recovery. TIH with 10-3/4" skirted mill. Mill on casing. TOH. TIH open ended to fish and displace hole with fresh water. WO dialog. Rig up wireline truck. Run downhole video camera through drill pipe to top of fish. Wireline shorted out. POH. RIH with camera to 768. Video TOF. Showed top of 8-5/8" casing not open.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$50,307. CWC: \$921,179

06/06/2012

Day #27 Depth: 10,860' Current operation: Running 7-3/4" Mill.
POH with video camera. TIH with 10-3/4" skirted mill. Mill 5.5 hours. Made 6". TOH with mill. TIH with 7-7/8" bit. Could not get into 8-5/8". TIH with 10-3/4" skirted mill. Mill 6 hours. Milled 1'. TOH. TIH with 7-3/4" flat bottom mill. Could not get into 8-5/8" casing.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$46,006. CWC: \$967,185

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

06/07/2012

Day #28 Depth: 10,860' Current operation: Running 10-3/4" Mill.
TOH with 7-3/4" flat bottom mill. TIH open ended. Could not get in. TIH with 10 3/4" skirted mill with aggressive pattern. Mill 5.5 hours. Milled 1-1/2'. TOH. TIH with 10-3/4" skirted mill.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$30,847. CWC: \$998,032

06/08/2012

Day #29 Depth: 10,860' Current operation: POH with 8-5/8" fish.
Mill 1-1/2 hours with skirted mill. Mill started to torque. TOH. Found cut lip guide on mill worn down. WO tools 13 hours. RIH with 12" shoe on 4' long 10-3/4" wash pipe with flat bottom mill inside. Milled over casing and forced casing inside shoe. TOH with mill and washpipe. TIH with 12" concave mill and mill on top of 8-5/8" casing. Milled 4 hours and made 4'. TOH. MU skirted mill and TIH. Mill off 2' of 8-5/8" casing. TOH. PU 7-3/4" flat bottom mill and TIH. Got into top of 8-5/8" casing at 770'. TIH and tagged up at 1255'. TOH. TIH with overshot and grapple. Latched onto casing and picked up. Pulled 25,000# over string weight and casing started moving. POH with fish.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$30,333. CWC: \$1,028,366

06/09/2012

Day #30 Depth: 10,860' Current operation: Set slips on 8-5/8" Casing.
POH, LD 18 jts 8-5/8" casing. TIH with 12" concave mill. Mill off top of 8-5/8" casing at 1586'. TOH. TIH with 7-3/4" flat bottom mill and got inside casing at 1573'. TOH. TIH with overshot and grapple and latch onto casing. Pull 65,000# string eight and hold for 15 minutes. Release overshot and TOH. RU casing crew. Run lead patch seal on bottom of 35 jts 8-5/8" 32# J-55 LTC casing. Slide lead patch seal over top of casing at 1573'. Engage grapple and pull 50,000# over string weight to activate seal. Set slips with 70,000# and cut off casing.
MW = 9.1 ppg, Visc = 45, WL = 16, Chlorides = 28,000.
DWC: \$30,246. CWC: \$1058,612

06/10/2012

Day #31 Depth: 10,860' Current operation: Stuck at 8457'
NU BOP. Test BOP to 1000 psi – OK. TIH with string mill and polish casing seal. TOH. TIH with 7-7/8" mill tooth bit and junk basket, stopping to circulate every 1000'. Stuck pipe going in hole at 8457'. Work stuck pipe with full circulation.
MW = 8.8 ppg, Visc = 38, WL = 7, Chlorides = 20,000.
DWC: \$35,418. CWC: \$1,094,030

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

06/11/2012

Day #32 Depth: 10,860' Current operation: TOH with mill tooth bit
Pull pipe free. Lay down four joint drill pipe. Circulate and condition hole. Wash and
ream every joint in hole to TD of 10,860'. Tag bottom and attempt to drill 1'. Bit
torqued up. Circulate and condition mud while working junk basket. TOH.
MW = 8.8 ppg, Visc = 55, WL = 8, Chlorides = 18,000.
DWC: \$57,355. CWC: \$1,151,386

06/12/2012

Day #33 Depth: 10,860' Current operation: TOH with magnet.
TOH with mill tooth bit and junk basket. TIH with magnet and junk basket. Wash 10' to
bottom. Work magnet and junk basket while circulating hole. TOH with magnet.
MW = 8.7 ppg, Visc = 47, WL = 11, Chlorides = 18,000.
DWC: \$28,333. CWC: \$1,180,159

06/13/2012

Day #34 Depth: 10,860' Current operation: TIH with magnet.
TOH with magnet. Magnet and junk basket full of metal. Slip and cut drilling line. TIH
with magnet and junk basket. Wash down from 10,400' to TD of 10,860'. Work magnet
and junk basket on bottom. TOH with magnet. Magnet and junk basket full of metal.
TIH with magnet and junk basket.
MW = 8.7 ppg, Visc = 47, WL = 11, Chlorides = 18,000.
DWC: \$29,501. CWC: \$1,209,659

06/14/2012

Day #35 Depth: 10,860' Current operation: TIH with bit.
TIH with magnet and junk basket. Circ and work magnet at TD. TOH with magnet.
Recovered approximately 1 lb metal. TIH with bit and junk basket.
MW = 8.7 ppg, Visc = 52, WL = 8, Chlorides = 18,000.
DWC: \$29,501. CWC: \$1,239,160

06/15/2012

Day #36 Depth: 10,944' Current operation: Drilling at 10,944'
TIH with bit and junk basket. Realized drilller had left off junk basket. TOH. TIH with
bit #7 and junk basket. Wash past junk in hole. Resume drilling. Drill from 10,860' to
10,944'. Dev surveys – 1.2° at 10,860'.
MW = 8.5 ppg, Visc = 50, WL = 8, Chlorides = 16,000.
DWC: \$29,453. CWC: \$1,268,613

06/16/2012

Day #37 Depth: 11,271' Current operation: Drilling at 11,271'
Drill from 10,944' to 11,271'.
MW = 8.6 ppg, Visc = 46, WL = 8, Chlorides = 10,800.
DWC: \$20,002. CWC: \$1,288,635

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

06/17/2012

Day #38 Depth: 11,450' Current operation: Short trip.
Drill from 11,271' to 11,450'. Short trip to 8000'
MW = 8.9 ppg, Visc = 48, WL = 9, Chlorides = 9,000.
DWC: \$26,964. CWC: \$1,315,599

06/18/2012

Day #39 Depth: 11,450' Current operation: Open Hole Logging
Short trip to 8000'. TIH. Circulate and condition mud. TOH for logs. RU Loggers and start logging well.
MW = 8.9 ppg, Visc = 48, WL = 9, Chlorides = 9,000.
DWC: \$21,045. CWC: \$1,336,644

06/19/2012

Day #40 Depth: 11,450' Current operation: Running 5-1/2" casing
Run Spectral GR/DIL/Neutron Density/Sonic log. RD Loggers. RU and run sidewall cores at selected intervals. RD sidewall core equipment. RU and start running 5-1/2" production string.
MW = 8.9 ppg, Visc = 48, WL = 9, Chlorides = 9,000.
DWC: \$64,510. CWC: \$1,401,154.

06/20/2012

Day #41 Depth: 11,450' Current operation: Rig released – WO completion.
Run float shoe (1.35'), 2 jts 5-1/2" 17# HCL LTC casing (79.38'), Float collar (1.35'), 29 joints 5-1/2" 17# HCL LTC casing (1123.13') and 242 jts 5-1/2" 17# L-80 LTC casing (10254.21'). Total casing length – 10,459.42'. Set casing at 11,450'. Ran a total of 30 bow spring centralizers. Installed one centralizer every 3rd joint with top centralizer being at 7616'. Circulate and condition mud 1-1/2 hour. RU O-TEX cementing. Pumped 200 bbls mud with 150 scf/bbl nitrogen as pre flush. Cemented well with 380 sx 50:50 Class H cement + 8% gel + 3 pps Kolseal + .3% C-20 + 1/4 pps celloflake + .004 gps CF-41L. Cement mixed to 12.2 ppg with a yield of 2.07 cu ft/sk. Tailed in with 810 sx 50:50 Class H + 2% gel + .9% C-16A + .2% C-35 + .3% C-44 + 1/4 pps celloflake. Cement mixed to 14.4 ppg with a yield of 1.23 cu ft/sk. Displaced cement with 264 bbls fresh water. Bumped plug at 4:00 pm 6/19/2012. Full returns throughout job. ND BOP and set slips with casing weight. Jet pits and release rig at 9:30 pm 6/19/2012.
MW = 8.9 ppg, Visc = 48, WL = 9, Chlorides = 9,000.
DWC: \$294,257. CWC: \$1,695,411

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

06/21/2012

Day #1

Backhoe leveled and scraped off location site. Mud Smith picked up left over drilling mud and pallets. Andrews Anchor set in (4) new dead-men anchors for well.

DWC: \$2500

CWC: \$2500

06/25/2012

Day #2

J & W Nipped up the 10K (rental) wellhead. Amigo emptied the cellar and hauled off 2 loads of water out of the drilling pits. Roustabout crew helped install the 10K wellhead and unload the frac valve on location. Gang put fence up down the south side of the drilling pits. J & W delivered the 10K x 5K companion flange for well also.

DWC: \$4250

CWC: \$6500

07/16/2012

Day #1

Move in and RU Liberty Well Service pulling unit. Globe delivered 2) rig mats, 3) sets of pipe racks, catwalk, and bit sub. Set in mats and pipe racks. NU companion flange on 10K (rental - J & W) wellhead and NU BOP. BOP rental - Wildcat Oil Tools. Precision forklift unloaded 352) joints of 2 7/8" L-80 tubing (new) and racked out on pipe racks. Tally tubing and RU Globe pickup machine. PU & RIH with 4 3/4" bit, bit sub, and 349 joints of 2 7/8" L-80 tubing - tagged up on PBDT @ 11,369'. RD pickup machine and shut in well.

DWC: \$84,965

CWC: \$84,965

07/17/2012

Day #2

Open up well and lay lines to circ well. Broke circ'n with 2% KCL water - circ'd hole with 240 bbls. Hauled out circ'd water to disposal well. Pressure tested 5 1/2" 17# casing to 4000# - tightened up BOP and flanges several times to stop small leaks. Casing held pressure for 15 minutes with no leak off. Bled off pressure and RD pump truck. POH with 2 7/8" tubing string, bit sub, and 4 3/4" bit. RU Axis Wireline and RIH with tools to run CBL / GR /CCL / CNL logs on well from PBDT @ 11,353' - corrected logs to correlate to OH HOWCO log - showing PBDT at 11,328'. RU Globe pump truck on casing and continued to keep 1000# of pressure on casing while running logs. Logged from 11,328' to 6700' and from 4500' to 4100'. Found Top of cement at 4370'. RD pump truck. RD Axis wireline truck and shut in well.

DWC: \$15,150

CWC: \$100,115

07/18/2012

Day #3

Open up well and RU Axis wireline. PU & RIH with 3 1/8" slick guns to perf Lower Devonian zone. Perf Devonian as follows with (4) JSPF: 11,184' to 11,190', 11,160' to 11,166', & 11,136' to 11,142' - total of 72 holes. POH with guns - all shots fired. RD Axis WL. PU & RIH with a 5 1/2" Klien K-3 compression packer, SN, and 340 jnts of 2 7/8" L-80 tubing. Set packer at 11,060' with 20 pnts compression. RU Globe pump truck and loaded casing (nothing to load) Pressure up on casing to 500# - held good for 15 minutes. RU on tubing and BD formation with 2800# of pressure. Pumped 5 bbls of 2% KCL water at 1 1/2 bpm rate - 2400#. ISIP @ 2100# - 1 minute

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

well pressure down to 1550#. RD Globe pump truck & RU swab equipment. IFL at surface - made 11 swab runs with a FFL at 9000' - no oil or gas. Shut in well and SDFN.
DWC: \$12,650 CWC: \$112,765

07/19/2012

Day #4

Open up well - tubing on a slight vacuum - 50# on casing. RU Petroplex Acidizing on 2 7/8" tubing. Packer set at 11,060' with top perf at 11,136' - acidized with 3600 gals of 15% NeFe HCL acid with Anti-sludge package as follows: Start out on acid 2.6 bpm rate and no pressure on tubing. Tubing loaded with 28 bbls 2 1/2 bpm rate 1950#. 30 bbls of acid pumped away 1.8 bpm @ 2575#. Increased rate to 3 bpm @ 2924#. 50 bbls of acid pumped 3.1 bpm rate @ 2560#. 70 bbls of acid pumped 3.1 bpm @ 1777#. Increased rate to 4.9 bpm @ 2361#. All acid pumped away (3600 gals) 4.8 bpm rate @ 2504# with 25 balls on formation. 5 bbls of flush water pumped 4.2 bpm @ 3200# with 30 balls on formation. 10 bbls of flush 4.9 bpm rate @ 2628# with 40 balls on formation. 20 bbls of flush pumped - 4.7 bpm @ 2828# - 50 balls on formation. 28 bbls of flush pumped 4.2 bpm rate @ 3100# with 60 balls on formation - pressure went up to 3500#. Finished job at 4.6 bpm @ 2974#. Well showed good ball action thru out job. ISIP @ 1466# - 5 minutes SI Press 1320# - 10 minute SI press 1177# - 15 minutes shut in pressure 1106#. Total load to recover = 152 bbls. Open up to pit - flowed back 2" stream for 14 minutes. Well continued to flow a 1" stream of fluid for 43 more minutes. RIH with swab to 500' from surface - Well flowed hard after run. Run # 6 FL @ 9000' - Run #7 FL came up the hole to 3800' - POH with lots of gas. Cutting 5% oil on last sample. FFL @ 2000' run # 13 - SI and SDFN.
DWC: \$20,850 CWC: \$133,615

07/20/2012

Day #5

Open up well - 440# SI TP. Open up well to 1/2 frac and bled down. RIH with swab IFL @ 2500' good oil cut and good tail gas. Run #2 FL @ 2000' with stronger oil cut - more tail gas. Well kicked off flowing to pit. Made another swab run FL @ 1200' from surface. Well showed 50% oil cut and strong gas after run. Made 11 swab runs FFL at 10,500' with last run showing 50% oil, 40% water, and 10% emulsion. SI well and SDFWE.
DWC: \$ 8750 CWC: \$142,365

07/23/2012

Day #6

Arrive on location and open up well - 650# SI TP in 62 hours. Open well to frac tank - good fluid to surface with a good oil cut. Flowed back 5 bbls of oil in 45 minutes. RU swab equipment - shut in well to RU swab. Well kicked off flowing again to pit with 60# of FTP. Flowed for 40 minutes. RU swab and found IFL @ 4500' fs - POH 90% oil cut at the beginning of the run and 10% oil cut at the end of the run. Run #2 FL @ 6000' with 20% oil cut. Run #4 FL @ 8500' with 90% oil cut. Run #5 FFL @ 9500' 100% oil cut and strong gas. Recovered 42 bbls of fluid today. Shut in well and SDFN.
DWC: \$6600 CWC: \$148,965

07/24/2012

Day #7

Shut in TP 400# - open up well to frac tank and unloaded no fluid. Open up BOP and released Klien K-3 packer and let equalize. POH with 340 jnts of 2 7/8" L-80 tubing, SN and 5 1/2" K-3 packer. Waited on Wireline truck to get to location. RU wireline truck and RIH with 3 1/8" perf'g guns. Perf Additional Devonian Zone with (4) JSPF as follows: 11,064' to 11,070' and 11,082' to

SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS

11,088' (48 total holes). POH with guns - all shots fired. PU & RIH with a 5 1/2" Klien RBP with ball catcher on a Baker 20 setting tool. Set RBP @ 11,110' - POH with WL and setting tools. PU & RIH with a 5 1/2" retrieving head, Klien K-3 packer, SN, and 338 jnts of 2 7/8" L-80 tubing. Tested RBP to 1100# - took 30 bbls of fluid to load hole. Pulled packer up to 10,990' - set and tested to 500# held good with no leak off. Shut in well and SDFN.

DWC: \$17,450

CWC: \$166,415

07/25/2012

Day #8

Open up well - 0# SI TP. RU Petroplex Acidizing on tubing to acidize the Devonian perms using 2000 gals of NeFeHCL acid with Anti-sludge agents and 60) ball sealers. Test lines and broke down formation with water at 2800#. Switched to acid - 4.7 bpm rate at 2852#. With 15 bbls of acid pumped rate was 5.1 bpm at 3214# of pressure. With 48 bbls of acid pumped rate was 5.1 bpm at 2966#. Went to flush water - with 60 bbls of flush pumped and 55 balls on formation, rate was 5.0 bpm and pressure was 3258#. Well showed some ball action, but no ball out. ISIP was 1930# - 5 minutes SITP was 1539# - 10 minute SITP was 1436# and 15 minute SITP was 1360#. Left well SI for 30 minutes - Load water to recover = 138 bbls. Open up well and flowed back water for 40 minutes flowed back 32 bbls - 106 blwtr.from acid job. RU swab IFL @ surface. Made 8 swab run s FL @ 5500' with no oil in samples. Run #11 - FFL @ 7200' - POH with no oil and no gas after run. SI well - recovered 131.5 bbls of acid job load. Adding in the 65 bbls to load the hole to test the RBP - there is 71 bbls of load water to recover still. SI SDFN.

DWC: \$15,025

CWC: \$181,440

07/26/2012

Day #9

Open up well - 180# SI TP 14 hours. Well flowed no fluid to surface when opened to the tank. RU swab and found IFL @ 4500' fs with 8% oil cut very little gas after run. Run #2 FL @ 5200' with 16% oil cut and no gas. Run #3 FL @ 6200' with 5% oil and no gas - 51 bbls of load to recover still. Run #4 FL @ 7200' with 5% oil cut. Run #5 FL @ 8200' with 8% oil cut. Runs #6 and #7 FL @ 8200' with 30% oil cut and gas after run. Run #8 FL 8500' with 30% oil cut and good gas after the run. Run #10 FL at 9000' with 25% oil cut and good gas. Run #12 FFL @ 9000' with 20% oil cut and good gas after the run. Recovered 57 bbls today - 14 blwtr still. SI and SDFN.

DWC: \$6200

CWC: \$187,640

07/27/2012

Day #10

Open up well - 350# of SI TP in 16 hours. Open up well to tank - well unloaded gas for 11 minutes and never brought up any fluid before dying. RD swab equipment and released K-3 packer. RIH with tubing to top of RBP latch onto and released RBP. RU Lay down machine and POH with 338 joints of 2 7/8" L-80 tubing, SN, K-3 pkr, retrieving head, and RBP. RD lay down machine, ND BOP. ND companion flange and NU 10K rental frac valve. SDFWE.Prepare to RDPU and move off well - Frac job set up for August 10th.

DWC: \$12,300

CWC: \$199,940

**SABER OIL & GAS VENTURES, LLC
DAILY REPORT
STATE UNIVERSITY BC #7
ANDREWS COUNTY, TEXAS**