



Lease University Rich A11 **Well No** 1 **District** 08
County Hudspeth **ST** Texas **Section** 11 **Block** A
Permit # 804334 **Survey** 467' FSL 467' FWL
Operator Torchlight Energy **Page** 1

API # 42-229-30274

DATE	DAILY REPORTS
3/12/2015	Mark McCoy, engineer with Mojo, met with University Lands representative, Drew McEachern and the land rancher, John Hunter to discuss access roads to Orogrande project in Hudspeth County. To gain access to the University lands, John Hunter has agreed to allow Torchlight to create new gates with cattle guards on the north end of his property, the border between Texas and New Mexico, to avoid having to enter BLM land. A written agreement needs to be made between Torchlight and John Hunter for access to his land (creating multiple new gates) and use of his water. Multiple gates and roads will be necessary to gain access to all three well sites.
3/13/2015	Received proposed road location from University Lands for Rich A11 #1. Contacted Brock and Bustillos Inc. to survey and stake the access road and a 350' X 350 pad. Contacted Bullseye Construction to get pricing on building new gates and cattle guards to access location.
3/14/2015	Contacted and Solicited bids from construction vendors to build location. (San Jan, Orbit, Sweat, Storm).
3/15/2015	Storm Construction and San Jan traveled to location to prepare bid.
3/17/2015	Storm has been chosen as construction contractor. Storm has placed the One Call to initiate construction.
3/18/2015	Storm equipment arrived on location to begin build.
3/19/2015	Storm started construction for the University Lands Rich A11 #1. University Lands delayed all construction on their property until they have inspected the staked road and the damages fee has been received. The construction crews continued working on the bypass roads and two gates through the Turner Ranch property.
3/20/2015	Storm Construction continued to build the two gates and the 0.5mi bypass road on the Turner Ranch. University Land has received the damages fee for construction. A University Land representative inspected the staked road and pad. He then granted us permission to begin construction on the new access road and pad.
3/21/2015	Storm construction continued to build the pad and access road. Express Energy Services is lined up to build the cellar and set conductor once the pad is complete.
3/22/2015	Storm Construction continued to build the pad and access road.
3/23/2015	Storm Construction continued to build the pad and access road. They have started to lay caliche on the pad. The two cattle guard gates are complete.
3/24/2015	Storm Construction continued to build the pad and access road. University Land has given us Permission to begin rig move and stage the rig on a previous drilling location in the area.
3/25/2015	Storm construction continued to build pad and access road. The pad is complete along with the 6'x6' cellar is complete.
3/26/2015	Express energy set the conductor 14" conductor to 103'. Express also line the disposal pit with 12 mil plastic liner. Storm continued construction on access roads.



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3/27/2015	Basic 43 Rig 25% moved onto location. Company man (Jesus Garcia) mobilized and headed to location.
3/28/2015	Basic 43 Rig is 90% moved onto location.
3/29/2015	Basic Rig 100% moved in and 85% Rigged up.
3/30/2015	Basic Rig 100% moved in 95% rigged up. Welded conductor. Mud delivered; Pason rigged up.
3/31/2015	Had pre spud meeting and inspection. Hauled water in and screens. Made up BHA and tagged at 118'. Spudded well at 00:00 hours 03/31/2015. Drilled from 118'-244'. Lost circulation at 138', pumped 3 lcm pills and tripped out of hole for water.
4/01/2015	Tripped in hole to 244'. Ran wireline survey at 229'; Inc@ 1.75. Tripped out and layed down Tools. Weld on Pad eyes on conductor. Attached pickup lines to pad eyes and pulled on conductor to pull out of ground and conductor did not hold up to stress applied to pad eyes. We cut a hole through conductor and run a piece of 2" pipe through hole and attached pickup lines to each side and it buckled the 2" pipe. We then ran a piece of 2" solid cold roll rod and picked up to 35,000K and still conductor would not break free. We then ran IBS in to conductor. Dumped LCM over top of conductor and pumped behind it to seal off Lost circulation Zone
4/02/2015	MD 244'. Dumped LCM over top of the conductor and behind pipe to seal off lost circulation zone. Tripped in hole and unclogged the conductor. Once the conductor became unclogged, circulation was lost. Tripped out of hole. Cut conductor. Waited on surface casing to arrive on location to seal off lost circulation zone.
4/03/2015	MD 244'. Waited on casing to arrive on location. Held safety meeting with rig crew and casing running crew. Ran 9 joints of 9 5/8" 36# J-55 casing to 244'. Cementers rigged up and pumped 255 sks of Class "C" cement. No circulation while pumping cement. Topped off cement with 450 sks of Class "C" Neat cement to surface.
4/04/2015	MD 460'. Waited on cement. Cut 9 5/8" casing. Installed and tested wellhead to 1500 psi. Nipped up BOPE and tested BOP. Made up bit and tripped in hole. Drilled out cement and float shoe. Then drilled from 244' to 460'.
4/05/2015	MD 609'. Drilled from 460' to 485'. Lost returns at 460'. Continued drilling from 485' to 573' with 30% returns. Spotted LCM pill while waiting on water. Continued drilling from 573' to 609' with intermittent losses.
4/06/2015	MD 707'. Spotted LCM pill while waiting on water. Drilled from 609' to 707' with 30% returns. Spotted LCM pill while waiting on water. Drilled 98' in 4.5 hours. Last survey: 2.38 deg. at 700' MD



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4/07/2015	MD 1034'. Spotted lcm pil while waiting on water. Drilled from 707' to 795' with 30% returns. Continued drilling from 795' to 1034' with 70% returns. Drilled a total of 327' in 18.5 hours. Last survey, 2.50 deg at 975'.
4/08/2015	MD 1332'. Drilled from 1034' to 1050' with 70% returns. Spotted 25 ppb lcm pill while waiting on water. Continued drilling from 1050' to 1073'. Lost all returns at 1060'. Spotted 30 ppb lcm pill while waiting on water. Continued drilling from 1073' to 1332' with 80 % returns but lost all returns at 1323'. Spotted a 35ppb lcm pill while waiting on bottom.
4/09/2015	MD 1450'. Tripped out of hole and changed out bit. Tripped in with bit #3. Tripped back out due to plugged bit. Unplugged jets on bit and tripped back in. Drilled from 1332ft to 1450ft. Lost 100% returns at 1409ft.
4/10/2015	MD 1584'. Drilled from 1450' to 1584' with partial returns. Heeled up hole to 95% returns and at 1584' lost all returns. Currently waiting on water.
4/11/2015	MD 1591'. Waited on water due to being out of water at the Ranch, and Jobe had run out of their stock plied water and were filling directly off their well. Once we had water in our tanks we drilled ahead 7ft in an hour and never had any returns(100% losses). We then spotted two 80Bbl Pills. And waited on water.
4/12/2015	MD 1690'. Waited on trucks to fill pits with water from El Paso and Turner Ranch. Tripped in hole to attempt to drill ahead. Tripped out of hole due to plugged bit. Tripped back in and drilled form 1591' to 1690' mixing in 40#/bbl LCM. Had 45 bbls of fluid loss during 10hrs of drilling
4/13/2015	MD 1913'. Drilled from 1690' to 1913', a total of 223' in 24 hours. Lost 100bbls of drilling fluid in 24 hours.
4/14/2015	MD 2092'. Drilled from 1913' to 2005'. There was a 400 psi drop in pressure when pumping. We pulled out of hole and inspected the bit. The bit had traces of rubber in it that had been obstructing flow in the jets. The bit was cleaned out and made up. Tripped in hole. Drilled from 2005' to 2092'. Drilled a total of 179' in 16.5 hours.
4/15/2015	MD 2226' Drilled from 2092' to 2226'. Lost all returns at 2224'. We pumped lcm and built volume in the pits. Got returns back 7 hours later. We lost a total of 1390 bbls throughout the day. Drilled a total of 134' in 16.5 hours.
4/16/2015	MD 2226' Worked stuck drill pipe. Currently waiting on vibration tool. No fluid losses in the last 24 hours.
4/17/2015	MD 2226' Worked stuck pipe. Waited on elevators to arrive from midland. Rigged up vibrating unit. Began vibrating to free stuck pipe. The vibrating unit malfunctioned and broke down. Spotted 14 bbls of diesel and pipe free lubricant while waiting on new vibrating unit to arrive.
4/18/2015	MD 2226' Rigged up new vibrating tool. Vibrated stuck pipe for 4 hours with no success. Spotted mineral oil on bottom then laid down the vibrating tool. Continued to work stuck pipe for 4.5 hours and eventually pulled free. Lost all circulation. Laid down 5 jts of drill pipe and pumped 60# LCM pills. Circulation was reestablished. Washed and reamed to bottom.



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4/19/2015	MD 2450'. Reamed back to bottom. Lost returns at 2206'. Pumped 80 bbl pill of 60ppb lcm and got returns back. Drilled from 2226' to 2450', a total of 224' in 21.5 hours.
4/20/2015	MD 2590'. Drilled from 2450' to 2590'. Tripped out of hole due to low penetration rate. Picked up new bit and motor then tripped back in hole. Drilled a total of 140' in 14.5 hours. Last survey at 2494', 3.2 deg.
4/21/2015	MD 2925'. Tripped in hole. Drilled from 2590' to 2925'. Drilled a total of 335' in 23 hours.
4/22/2015	MD 2952'. Drilled from 2925' to 2952'. Pumped sweep and fluid caliper. Tripped out of hole to run casing. Waited on casing crew to arrive on location (vehicle problems). Ran 69 jts of 23# L-80 7" intermediate casing. Circulated with rig pumps with no returns. Rigged up cement crew. Pumped first stage cement and did not have any returns throughout the first stage. Inflated the packer and dropped bomb to open up DV tool. Circulated through DV tool to surface with 75% returns but no cement was seen.
4/23/2015	MD 2952'. Cemented 2 nd stage with 415 sks. Maintained 75% returns throughout job. Inflated packer and opened DV tool. Circulated through DV tool. Maintained 75% returns when circulating but did not get any cement to surface. Cemented 3 rd stage with 65 sks. Circulated 34sks/12 bbls to surface. Set slips and cut casing. Nipped up "B" section, flowline, and rotating head. Tested BOPE.
4/24/2015	MD 2952'. Repaired rig, adjusted the top drive alignment. Fished for rotating head stud that was dropped down hole during nipple up operations. Stud was fished out using a magnet. Picked up BHA with directional tools and tripped in hole. Drilled out first DV tool at 324'. Continued tripping in hole to next DV tool. Drilled out second DV tool at 2082'. Continued tripping in hole.
4/25/2015	MD 3444'. Tripped in hole. Drilled out float collar and tested casing to 1000 psi. Drilled out 10' formation to 2962'. Performed FIT test to 10.1ppg EMW. Drilled from 2952' to 3444', A total of 492' in 20 hours.
4/26/2015	MD 3858'. Drilled to 3500 and lost circulation. Spotted 10lbs pbl bill on bottom and pulled to 2952' to let it soak. Went back to bottom and continued drilling to 3858' with no losses. A total of 414' in 20.5 hours.
4/27/2015	MD 4177'. Drilled from 3858' to 4177'. Lost total returns at 4162'. Spotted 80 bbl LCM pill on bottom. Tripped out of hole to shoe while letting the pill soak into formation. Continued filling up annulus while letting pill soak. Pumped a total of 253 bbls down the annulus.
4/28/2015	MD 4494' Tripped in hole. Drilled from 4177' to 4494', a total of 317' in 19.5 hours. Tripped out of hole because the bit became plugged up.
4/29/2015	MD 4556' Tripped out of hole. The drill collars were plugged with walnut hulls. Laid down BHA. Picked up new motor and set bend to 1.5 degrees. Tripped in hole to shoe. Slipped and cut drill line. Continue tripping down to bottom. Drilled from 4494' to 4556', a total of 62' in 3.5 hours.
4/30/2015	MD 5220' Drilled from 4556' to 5220', a total of 664' in 23.5 hours.



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5/01/2015	MD 5284' Drilled from 5220' to 5284', a total of 64' in 5 hours. Spotted 20ppb LCM pill on bottom. Tripped out of hole to change out bit. The Iron roughneck broke down and was replaced by the rig. Continued tripping out of hole and laid down motor. Picked up new motor and dialed up to 1.85 bend. Made up bit and tripped back in hole.
5/02/2015	MD 5442' Tripped in hole. Reamed from 5036' to 5284'. Drilled from 5284' to 5442', a total of 158' in 16.5 hours.
5/03/2015	MD 5684' Drilled from 5442' to 5684', a total of 242' in 23.5 hrs. Lost 840 bbls of fluid into formation.
5/04/2015	MD 5909' Drilled from 5684' to 5909', a total of 225' in 23.5 hours.
5/05/2015	MD 6011'. Drilled from 5909' to 5922'. Pumped sweep and circulated bottoms up. Tripped out of hole and changed out bit. Tripped back in hole with bit #8. Drilled from 5922' to 6011'. Drilled a total of 102' in 8.5 hours.
5/06/2015	MD 6100' Drilled from 6011' to 6100', a total of 89' in 13.5 hours. Circulated hole then pumped fluid caliper. Tripped out of hole to shoe. Fixed hydraulic leak on iron ruff neck. Tripped in hole to bottom. Pumped sweep and spotted high viscous pill on bottom. Tripped out of hole to run logs.
5/07/2015	MD 6100' Tripped out of hole and laid down directional tools. Rigged up Halliburton logging equipment. Picked up logging tools and ran in hole. Logging tools could not get pass 5654'. Pulled out of hole and rigged up sidewall coring tool. Ran in hole to extract sidewall cores. Pulled out of hole and rigged down Halliburton tools. Tripped in hole to clean hole for casing.
5/08/2015	MD 6100' We TIH with a clean out assembly and washed from 5600 to 6100. No issues. Pumped a sweep on bottom and TOO H to run casing. We ran 150 jnts of 4 1/2" 11.60# L80 to 6090ft. First stage cement job was 100sxs lead and 130sxs of tail. No cmt was circulated to surface but we did see grey water. Second stage cement job was 100sxs lead and 100sxs tail. We received 10bbls of cement to surface.
5/09/2015	MD 6100' Nippled down and set 4.5" Casing slips with 140K. Installed tubing head. Rig released at 17:00 05/08/2015. Rigging down.
5/10/2015	MD 6100'. Continue rigging down.