

Operator: Southwest Royalties, Inc. Phone: 432-686-9927 Fax 432-688-3250  
 Well: University "P" No. 4H AFE: #80108/New Drilling/\$4,426,000  
 Location: 500 FSEL & 500 FSWL, Sec 28, Blk 18 – ULS Lease No.: 102029-04H  
 Ward County, Texas Field: War-Wink, S (Wolfcamp)  
 SWR WI 100% Site Supervisor: Trent Grovey/Grey Wolf #104  
 Description: Drill & complete ½ sec lateral Bone Spring "A" Zone, TVD 11,400', MD 14,000'

08-11-08 **Current TD – 0'; daily ftg – 0'; day# - 1;** Rig insp, rep brake caliper, low clutch, brake pads, high side chain & tighten all bolts; wrk on hi/low clutch brakes, brake calipers 7 any other misc reps; EDC \$105,900; ETC \$193,161.

08-12-08 **Current TD – 0'; daily ftg – 0'; day# - 2;** Wrkg on draw wrks, inst back in place, hook up & chk run; draw wrks trblshoot bad pins in PLC, cable & rep'd, run draw wrks w/NOV tech; EDC \$28,700; ETC \$221,861.

08-13-08 **Current TD – 65'; daily ftg – 25'; day# - 3;** pin top drive to blocks, unhang blocks & adj brakes; CO saver sub, stabbing guide, dress out top drive; weld on cond & inst buckles & FL; fin NU cond; WO shock sub; load out pipe racks w/collars, strap, OD & ID; PU & make up BHA; wt ind cable brk during splice & rep; drlg f/40'-65'; EDC \$22,500; ETC \$244,631.

08-14-08 **Current TD – 410'; daily ftg – 345'; day# - 2;** MW – 8.3; Vis – 29; CI – 4500; drl surf hole to 410'; pmp 50 hi-vis sweep & circ; EDC \$8516; ETC \$252,877.

08-15-08 **Current TD – 410'; daily ftg – 0'; day# - 3;** MW – 8.4; Vis – 29; CI – 4500; circ hole clean; POOH; RU csg crew & PU/LD mach to run 13-3/8" csg; run 10 jts 13-3/8" 48#H-40 STC csg, csg set @ 410'; RD csg crew & PU/LD mach; circ while RU to cmt; tst lines to 1000 PSI; pmp cem job as follows: pmp 20 BFW, mix & pmp 100 bis/420 sx Prem plus cmt w/1% CC @ 6 BPM, drop plug, pmp 55 BFW displacement @ 4 BPM slowing to 2 BPM last 25 Bbls, max press 175 PSI, CaCl displacement 58.5 Bbls cut short to 55 Bbls due to wooden plug, circ 165 sx cmt to res pit, csg & cmt job witnessed by TRRC rep Jimmy Ballard; RD; WO cmt; cut off cond pipe & 13-3/8" csg, inst & tst 13-3/8" csg head; RU Monahans NU to NU BOPs; EDC \$73,617; ETC \$326,494.

08-16-08 **Current TD – 410'; daily ftg – 0'; day# - 4;** MW – 8.4; Vis – 29; CI 4500; inst DSA & spacer spools; clean & inst single ram preventer & mud cross; clean & inst dbl ram preventer & annular preventer w/rot head bowl; DO final re-torque of all flanges; inst KL valves after replacing damaged 4-1/16 10mx2-1/16 10m DSA; inst chk line vales & flex line to chk manif; inst hydr lines & function tst accumulator; tst csg & blind rams to 1000 PSI, ok; tst pipe rams, annular, kill & chk line vales to 1000 PSI, ok; center & secure BOP stack; inst flw line adapter to rot head bowl; EDC \$40,879; ETC \$367,373.

08-17-08 **Current TD – 500'; daily ftg – 90'; day# - 5;** MW – 9.6; Vis – 29; CI 160000; rebld and weld rot head to FL connection; strap and caliper new BHA components; PU BHA #2 and tag cmt @ 366'; drlg plug, float and shoe jt, hard cmt and formation to 500'; DS .5 degree @ 480'; EDC \$22,792; ETC \$390,165.

08-18-08 **Current TD – 1512'; daily ftg – 1012'; day# - 6;** MW – 9.8; Vis – 28; CI 155000; drl f/500'-1512'; conn & surv @ 952' = 0.7 & 1403' = 0.6;; EDC \$22,792; ETC \$390,165.

08-19-08 **Current TD – 2868'; daily ftg – 1356'; day# - 7;** MW – 9.9; Vis – 29; CI - 170000; drl f/1512'-2868'; surv @ 1784' = 0.9, 2069' = 1.4, 2261' = 2.0, 2452' = 1.9, 2738' = 2.1; EDC \$25,033; ETC \$440,596.

08-20-08 **Current TD – 3339'; daily ftg – 471'; day# - 8;** MW – 10; Vis – 29; CI - 184000; drl f/2688'-3339'; conn, ran surv @ 3151' = 2.3; pmp 30 Bbl hi vis sweep & circ; EDC \$24,793; ETC \$465,389.

08-21-08 **Current TD – 3847'; daily ftg – 508'; day# - 9;** MW – 10; Vis – 29; CI - 184000; drl f/3339'-3847'; WO fuel; RS; EDC \$52,142; ETC \$517,531.

08-22-08 **Current TD – 4462'; daily ftg – 615'; day# - 10; Day# - 10;** MW – 10; Vis – 29; CI - 189000; drl f/3847'-4462'; EDC \$31,374; ETC \$548,905.

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08-23-08 **Current TD – 4955'; daily ftg – 493'; day# - 11;** MW – 10; Vis – 29; CI – 189000; drl f/4462'-4955'; conn surv @ 4484' = 1.8; EDC \$47,814; ETC \$596,719.

08-24-08 **Current TD – 4945'; daily ftg – 20'; day# - 12;** MW – 10; Vis -29; CI – 189000; drl f/4925'-4945'; pmp hi-vis sweep & circ; pmp slug & POOH to HWDP; @ 4945' still 65' into 100% anhydrite; TIH & wsh 45' to btm, no fill; circ; pmp slug & POOH to 8" DC's; RU LD mach; LD 9 – 8" DC's, IBS, ProDrift, shock sub & bit; RU csg crew & chg sides w/LD mach; start running 9-5/8" csg @ 410'; EDC \$47,212; ETC \$643,931.

08-25-08 **Current TD – 4945'; daily ftg – 0'; day# - 13;** fin running 126 jts 9-5/8 csg set @ 4945'; RD csg crew & LD mach; circ while RU Halliburton to cmt; pmp cmt job as follows: pmp 20 BFW followed by 1400 sx Interfil C 11.9 ppg 2.47 yield 14.3 gl/sx 0.25 lbm Pheno Seal Id cmt, pmp 250 sx Prem Plus 14.8 ppg 1.33 yield 6.34 gl/sx tail cmt, displace w/354.5 BFW, final pmp rt 5 BPM @ 1330 PSI, bmp plug to 1830 PSI, floats held FB 2 Bbls; RD Halliburton while wshg cmt out of BOP stack, circ 118 sx to pit; RU Monahans Nu stack lifters & NU crew; ND stack & set slips; cut off csg & inst B section, would not tst, inject sealant & tst to 2000 PSI, ok; beg NU of BOP stack; EDC \$217,803; ETC \$861,734.

08-26-08 **Current TD – 4971'; daily ftg – 26'; day# - 14;** comp NU & welding FL; RU Monahans Nu to tst stack, tst all rams, kill & chk line valve, sfty valves & chk manif valves to 250 & 3000 PSI, tst annular preventer to 250 & 2500, tst csg to 1500 PSI, all tssts ok; RD tssts & tst tools; PU BHA #3 & TIH to 4646' filling pipe every 20 stds; circ while moving & strapping 11 jts DP (10 to replace 8" DC's & 1 HWDP plus 1 to get even stds); make up stds & TIH, tg cmt @ 4890'; drl cmt, plug, float & shoe, hard cmt; drl new form to red RPM until top IBS is out of csg; EDC \$49,803; ETC \$911.

08-27-08 **Current TD – 5624'; daily ftg – 653'; day# - 15;** drlg f/4971'-5624'; make conn, inst rot head; repl bowl gasket on rot head, straighten BOP stack; EDC \$10,490; ETC \$922,027.

08-28-08 **Current TD – 5910'; daily ftg – 286'; day# - 16;** drlg f/5624'-5910'; made conn, became diff stuck w/bit @ 5902'; pmpd sev 80+ vis sweeps while pulling 100K over DP – no success; spot 40 Bbls diesel around BHA, pulled 150K over & wrkd DP free; pmp sweep, rmd & wshd sect where stuck; EDC \$27,450; ETC \$951,206.

08-29-08 **Current TD – 6522'; daily ftg – 612'; day# - 17;** MW – 9.1; Vis – 29; CI 93000; wsh & rm std, drl to btm, pmp sweep; drlg f/5910'-6522'; make conn, surv @ 6105' = 0.8; EDC \$50,241; ETC \$1,001,447.

08-30-08 **Current TD – 7030'; daily ftg – 508'; day# - 18;** MW – 9.3; Vis – 30; CI – 100000; drlg f/6522'-7030'; surv @ 6583' = 0.9, @ 6858' = 1.0; EDC \$30,040; ETC \$1,031,487.

08-31-08 **Current TD – 7460'; daily ftg – 430'; day# - 19;** MW – 9.35; Vis 30; CI – 110000; drlg f/7030'-7460'; surv @ 7170' = 0.9; BOP drl 2 mins, slw pmp rts; surv @ 7426' = 0.8; EDC \$29,213; ETC \$1,060,700.

09-01-08 **Current TD – 7667'; daily ftg – 207'; day# - 20;** MW – 9.4; Vis – 29; CI – 118000; drlg f/7460'-7667'; pmp 40 Bbls sweep, circ btms up, slug pipe; TOO H for big chg; TIH; EDC \$29,127; ETC \$1,089,827.

09-02-08 **Current TD – 7869'; daily ftg – 202'; day# - 21;** MW – 9.4; Vis – 29; CI – 118000; TIH after bit chg; circ btms up; rm to btm; fin bldg & pmp sweep; drlg f/7667'-7869'; tighten bolts on top drive; EDC \$30,863; ETC \$1,120,690.

09-03-08 **Current TD – 8193'; daily ftg – 324'; day# - 22;** MW – 9.3; Vis – 29; CI – 115000; drl f/7869'-8193'; EDC \$47,414; ETC \$1,168,104.

09-04-08 **Current TD – 8525'; daily ftg – 332'; day# - 23;** drl f/8193'-8525'; surv @ 8300' – 0.8 EDC \$23,551; ETC \$1,191,655.

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09-05-08 **Current TD – 8885'; daily ftg – 360'; day# - 24;** MW – 9.4; Vis – 29; CI – 11600; drl f/8525'-8885';  
 surv @ 8587' = 0.8;  
 EDC \$22,475; ETC \$1,214,130.

09-06-08 **Current TD – 8889'; daily ftg – 4'; day# - 25;** MW – 9.4; Vis – 29; CI – 11500; drl f/8885'-8889';  
 rig rep due to pmp press probs; brk off bit & LD shock sub, Prodrift & both IBS; strap & caliper new  
 shock sub, Prodrift & IBS; make up bit #5 & PU new components for BHA #5; TIH to csg shoe, bit  
 depth 4963'; hang blocks & slip/cut 54' DL;  
 EDC \$23,404; ETC \$1,237,534.

09-07-08 **Current TD – 9054'; daily ftg – 165'; day# - 26;** asst NOV techs replcmt of all pins & bushing in  
 brk serv; TIH 3 stds; wrk on draw works; TIH 30' to btm, no fill; check shot @ 8015', 1.3\*, orig was  
 0.5\*; drlg f/8889'-9054';  
 EDC \$22,410; ETC \$1,259,944.

09-08-08 **Current TD – 9343'; daily ftg – 289'; day# - 27;** drlg f/9054' – 9343'; dev surv @ 9047' = 1.6 deg;  
 Nov techs working on stand pipe press gauge and transducer; top drive over torqued connection;  
 could not brk out Avery Elect tech found a bad connection in drillers cabin; replaced elect  
 connection and reset PLC in SCR house;  
 EDC \$22,097; ETC \$1,282,041.

09-09-08 **Current TD – 9609'; daily ftg – 266'; day# - 28;** MW – 9.4; Vis – 30; CI – 100000; compl reps on  
 top drive; drl g/9343'-9609';  
 EDC \$60,099; ETC \$1,342,140.

09-10-08 **Current TD – 9898'; daily ftg – 289'; day# - 29;** MW – 9.4; Vis – 30; CI – 105000; drl f/9609'-  
 9898';  
 EDC \$24,229; ETC \$1,366,369.

09-11-08 **Current TD – 10,244'; daily ftg – 346'; day# - 30;** MW – 9.4; Vis – 28; CI – 105000; drl f/9898'-  
 10244';  
 EDC \$28,907; ETC \$1,395,276.

09-12-08 **Current TD – 10,406'; daily ftg – 162'; day# - 31;** MW – 9.4; Vis – 28; CI – 122000; drl f/10244'-  
 10406';  
 EDC \$23,766; ETC \$1,419,042.

09-13-08 **Current TD – 10,416'; daily ftg – 10'; day# - 32;** MW – 9.4; Vis – 28; CI – 122000; POOH –  
 cracked jt above HWDP; make up bit #6 & TIH to top of HWDP & put in BHA; LD 15 jts or 5 stds of  
 DP imm above HWDP; TIH filling pipe every 30 stds; PU 15 jts 135 DP; wsh 30' to btm @ 10406';  
 drl f/10406'-10416';  
 EDC \$36,020; ETC \$1,455,062.

09-14-08 **Current TD – 10,573'; daily ftg – 157'; day# - 33;** MW – 9.4; Vis – 28; CI – 122000; POOH LD 30  
 jts DP above HWDP; TIH to 9455' filling pipe every 20 stds; circ @ 9455' while strapping & tallying  
 DP; TIH PU & bldg 10 stds in the mouse hole; tg up @ 10416'; drl f/10416'-10573';  
 EDC \$21,342; ETC \$1,476,404.

09-15-08 **Current TD – 10,902'; daily ftg – 329'; day# - 34;** MW – 9.4; Vis – 28; CI – 122000; drl f/10573'-  
 10902'; pmp hi vis sweep & circ; pull 1 std of 20 std short trip;  
 EDC \$49,376; ETC \$1,525,780.

09-16-08 **Current TD – 10,902'; daily ftg – 0'; day# - 35;** MW – 9.4; Vis – 28; CI – 122000; short trip 20  
 stds; circ gas units to 600 w/green crude shaker 6-12' intermittent flare w/smoke; add brine to  
 system, incrs mud wt f/9.4-9.6; strap out to log; crowned out the blocks; POOH to csg shoe; TIH to  
 btm;  
 EDC \$23,905; ETC \$1,549,685.

09-17-08 **Current TD – 10,902'; daily ftg – 0'; day# - 36;** MW – 9.5; Vis – 28; CI – 122000; TIH wsh 90' to  
 btm no fill; circ while bldg control pill; pmp control pill & strap out; LD; RU Schlumberger to log  
 w/PEX – HRLA – HNGS; TD 10,912';  
 EDC \$34,175; ETC \$1,549,685.

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09-18-08 **Current TD – 10,902'; daily ftg – 0'; day# - 37;** MW – 9.5; Vis – 28; CI – 122000; Schlumberger logging, loggers TD @ 10912'; RD Schlumberger; RU BOP tst ok; PU bit #7, mtr, UBHO & 2 monel DCs & TIH w/ 10 stds push pipe; WO XO f/push pipe to 6-1/2" DCs; EDC \$64,137; ETC \$1,647,997.

09-19-08 **Current TD – 10,930'; daily ftg – 28'; day# - 38;** MW – 9.5; Vis – 28; CI – 122000; TIH to 10115' filling pipe every 25 stds; circ/stg out control pill; TIH to 10496'; TIH wsh 90' to btm, no fill; circ; slide f/10902'-10930'; EDC \$106,087; ETC \$1,754,084.

09-20-08 **Current TD – 11,066'; daily ftg – 136'; day# - 39;** MW – 9.5; Vis – 28; CI – 116000; slide f/10930'-11066'; EDC \$34,221; ETC \$1,788,305.

09-21-08 **Current TD – 11,073'; daily ftg – 7'; day# - 40;** MW – 9.4; Vis – 29; CI – 116000; slide f/11066'-11073' surv, circ while bldg 11.5 ppg control pill, pmp control pill, POOH tst MWD, TIH filling pipe every 30 stds; EDC \$18,936; ETC \$1,807,241.

09-22-08 **Current TD – 11,145'; daily ftg – 72'; day# - 41;** MW – 9.4; Vis – 29; CI – 116000; TIH to 10400'; circ; TIH wsh 90' to btm, circ btms up; slide f/11073'-11145'; EDC \$31,897; ETC \$1,839,138.

09-23-08 **Current TD – 11,265'; daily ftg – 42'; day# - 42;** MW – 9.5; Vis – 29; CI – 116000; slide f/11145'-11265' circ while bldg 110 Bbl 12.0 ppg control pill; EDC \$42,507; ETC \$1,881,645.

09-24-08 **Current TD – 11,265'; daily ftg – 0'; day# - 43;** MW – 9.5; Vis – 29; CI – 116000; circ, build slug; POOH f/11,265'-10,783'; spot pill; POOH f/10,783'-9285'; brks locked dwn; POOH f/9285'; adj mtr to 2.12 degs bend, CO 8.750" bit; TIH; EDC \$36,922; ETC \$1,918,567.

09-25-08 **Current TD – 11,301'; daily ftg – 36'; day# - 44;** MW – 9.5; Vis – 29; CI – 116000; TIH w/5" DP & BHA to 11,265' circ out gas @ 80-90 SPM; slide drlg f/11,265'-11,301'; EDC \$63,566; ETC \$1,982,123.

09-26-08 **Current TD – 11,399'; daily ftg – 98'; day# - 45;** MW – 9.5; Vis – 29; CI – 126000; slide/rot drlg f/11,301'-11,399'; dev surv @ 11,282', @ 11,313'; EDC \$36,122; ETC \$2,018,245.

09-27-08 **Current TD – 11,468'; daily ftg – 60'; day# - 46;** MW – 9.5; Vis – 31; CI – 122000; slide/rot f/11399'-11468'; EDC \$37,338; ETC \$2,055,583.

09-28-08 **Current TD – 11,491'; daily ftg – 23'; day# - 47;** MW – 9.5; Vis – 30; CI – 122000; drl f/11,468' – 11,491'; POH; PU Bit #9 and new motor; TIH w/bit and BHA #9

09-29-08 **Current TD – 11,578'; daily ftg – 87'; day# - 48;** MW – 9.5; Vis – 30; CI – 122000; TIH w/bit & BHA #9, fill pipe every 25 stds; hit a bridge @ 11410', hi-side mtr & wsh 71' to btm; circ btms up ; slide/rot f/11491'-11578'; EDC \$36,429; ETC \$2,129,309.

09-30-08 **Current TD – 11,772'; daily ftg – 194'; day# - 49;** MW – 9.5; Vis – 30; CI – 126000; conn/surv; rot/slide f/11578'-11772'; re-log f/11547'-11578'; EDC \$45,233; ETC \$2,174,542.

10-01-08 **Current TD – 11,782'; daily ftg – 10'; day# - 50;** MW – 9.7; Vis – 30; CI – 125000; rot f/11772'-11782'; POOH to 10783'; rm 8-3/4" curve to TD; circ; POOH LD DP; EDC \$34,986; ETC \$2,209,528.

10-02-08 **Current TD – 11,782'; daily ftg – 10'; day# - 50;** MW – 9.7; Vis – 30; CI – 125000; LD DP; run 200 jts csg – details to follow; EDC \$22,874; ETC \$2,232,402.

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 10-03-08 **Current TD – 11,782'; daily ftg – 0'; Day# - 51;** MW – 9.7; Vis – 30; CI – 125000; run rem 304 jts 7" csg, tg btm @ 11782, PU off btm 1; circ; cmt 375 sx lead followed by 350 sx, drop plug & displace w/448 Bbls mud; circ, pmp plug to 1500 PSI; RD Halliburton; RU Monahans NU crew & stack lifters; ND spacer spools & DSA; set 7" slips w/225m wt dwn; inst WH & NU DSA & spacer pool;  
 EDC \$91,024; ETC \$2,323,426.  
 10-04-08 **Current TD – 11,782'; daily ftg – 0'; Day# - 52;** MW 9.7; Vis – 30; CI – 125000; NU BOP's, CO 5" pipe rams for 3-1/2" rams, inst turnbuckles & center stack; CO saver sub, pipe gripper blocks & pipe guide on top drive for 3-1/2" components; RU NU to tst BOP, all ts ts ok; hang blocks & cut 79' DL; inst API 200 screens on shaker, set up PR for 3-1/2" DP; PU & clean loc;  
 EDC \$40,145; ETC \$2,363,571.  
 10-05-08 **Current TD – 11,782'; daily ftg – 0'; Day# - 53;** MW – 9.7; Vis – 30; CI – 125000; Flange up FL adapter to rot head bowl & weld on FL; sort & stack 5" C 105 pipe for inspection; add 50 BFW to system, shooting 9 – 9.1 ppg fluid before drlg new form;  
 EDC \$25,234; ETC \$2,388,805.  
 10-06-08 **Current TD – 11,782'; daily ftg – 0'; Day# - 54;** MW – 9.7; Vis – 30; CI – 125000; WO DP; UL 461 jts 3-1/2" DP and 2 baskets of handing tools; move all tools to rig floor; RU LD machine; safety meeting; make up bit and directional BHA; tst MWD – OK; start running 3-1/2" DP; top drive SD w/low oil press and blower motor alarms; reset top drive in SCR several times; ck all control connections for wtr; ck hydraulic oil pmp and chg hydraulic oil filters; unsuccessful; Grey Wolf Top Drive or NOV techs will be on location Tuesday a.m.  
 EDC \$361,704; ETC \$2,750,509.  
 10-07-08 **Current TD – 11,782'; daily ftg – 0'; Day# - 56;** MW – 9.0; Vis – 29; CI – 58000; worked on top drive hydraulic; PU 3-1/2" DP; stop to fill pipe every 100 jts and strap more pipe; replace broken hydraulic hose and PU LD machine; PU 3-1/2" DP stop to fill pipe every 100 jts and strap more pipe – total 196 jts 3-1/2" DP in hole;  
 EDC \$25,960; ETC \$2,776,469.  
 10-08-08 **Current TD – 11,966'; daily ftg – 184'; Day# - 57;** MW – 9.0; Vis – 29; CI – 58000; PU 367 jts 3-1/2" DP bit depth 11680'; brk circ and circ out heavy mud; reset KEMS and adjust Crown-o-matic; install rotating head and make a connection; tag plug @ 11745'; drl green cmt, plug, float jt and float shoe hard cmt; work on MWD computer; rotate and slide drl f/11788' – 11966';  
 EDC \$55,585; ETC \$2,832,054.  
 10-09-08 **Current TD – 12,542'; daily ftg – 576'; Day# - 58;** MW – 9.0; Vis – 29; CI – 56000; rot & slide drlg f/11966' – 12542'; DS; RS; circ while working MWD computer; re-log interval f/12320' – 12351' due to MWD comp problem;  
 EDC \$35,915; ETC \$2,867,969.  
 10-10-08 **Current TD – 12,167'; daily ftg – -375'; Day# - 59;** MW – 9.1; Vis – 29; CI – 55000; conn/surv; rot/time/slide f/12544'-12167'; POOH 7 stds to 12135';  
 EDC \$36,995; ETC \$2,904,964.  
 10-11-08 **Current TD – 12,775'; daily ftg – 608'; Day# - 60;** MW – 9.1; Vis – 29; CI – 70000; slide/rot f/12167'-12775'; conn/surv;  
 EDC \$41,795; ETC \$2,946,759.  
 10-12-08 **Current TD – 13,083'; daily ftg – 308'; Day# - 61;** MW – 9.1; Vis – 29; CI – 70000; rot f/12775'-13083'; POOH; found wsh-out @ conn betw the 2 monels  
 EDC \$33,460; ETC \$2,980,219.  
 10-13-08 **Current TD – 13,083'; daily ftg – 0'; Day# - 62;** MW – 9.1; Vis – 29; CI – 70000; TIH w/rmg BHA to 11865'; rm f/11865'-12938';  
 EDC \$46,093; ETC \$3,026,312.  
 10-14-08 **Current TD – 13,083'; daily ftg – 0'; Day# - 63;** MW – 9.1; Vis – 29; CI – 70000; POOH; run 44 jts 4-1/2" 11.60 L80 UltFJ liner w/Halliburton stim/prod pkr components; setting depths on next rep; TIH w/59 stds DP;  
 EDC \$91,567; ETC \$3,117,879.

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 SWR WI 100% Site Supervisor: Trent Grovey/Grey Wolf #104  
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10-15-08 **Current TD – 13,083'; daily ftg – 0'; Day# - 64;** MW – 9; Vis – 28; CI – 69000; Cont TIH w/liner hanger & pkg tool; RU Halliburton; pmpd 19 Bbls spacer, 10 Bbls solvent, dropped plug; pmpd 95 Bbls Brine; rot/bkr off of hanger pkr; displaced w/317 Bbls 9.5# Brine wtr, RD Halliburton; LD 3-1/2" DP; EDC \$32,212; ETC \$3,150,091.  
 10-16-08 **Current TD – 13,083'; daily ftg – 0'; Day# - 65;** MW – 9; Vis – 28; CI – 69000; Cont TOOH LD 3-1/2" DP & pkr tool; inst frac valve, not tstd; top of MHR liner pkr @ 10,840.29'; btm of UFJ pmp out plug @ 12,858'; EDC \$142,900; ETC \$3,292,991.  
 10-17-08 **TD – 13,083'; Day# - 66;** Fin CO pits w/vac trk; relsd rig @ 12PM, 10/17/08; EDC \$21,595; ETC \$3,314,586.  
 10-18-08 **TD – 13,083'; Day# - 67;** RD to move rig to Univ 32-18 #5H to stacked; EDC \$1700; ETC \$3,316,286.  
 10-19-08 **TD – 13,083'; Day# - 68;** Move rig to Univ 32-18 #5; will have the rem rig stacked today 10/20; EDC \$1400; ETC \$3,317,686.  
 10-20-08 WO swellable pkrs & prep for frac job; ETC \$3,317,686.  
 11-10-08 Frac Bone Springs horz lateral dwn 7" csg/4-1/2" liner in 4 stgs as follows: Stg #1 – interval 12,759'-13,083' (324'), 56,900#s Econoprop 20/40, avg rt 40 BPM @ 3506 PSI; Stg #2 – interval 12,423'-12,759' (336'), 56,200#s 20/40 Econoprop; avg rt 39.7 BPM @ 3360 PSI; Stg #3 – interval 12,130'-12,423' (293'), 56,100#s 20/40 Econoprop, avg rt 41.2 BPM @ 3700 PSI; Stg #4 – interval 11,781'-12,130' (349'), 60,300#s 20/40 Econoprop; avg rt 41.4 BPM @ 3554 PSI; ISIP 3534 PSI, 5 mins 3345 PSI, 10 mins 3288 PSI, 15 mins 3212 PSI; ttl sd pmpd 229,500#s 20/40 Econoprop; ttl liquid load 8278 Bbls; RD BJ Services; RU flw bck iron; wait 4-1/2 hrs for gels to brk; start flw bck @ 9pm, 11-10-08; OWU @ 9pm, 2000#, 14/64" chk; recd 443 BW @ 47 BPM; BLW 8278; BLWR 443; BLWTR 7835; EDC \$324,912; ETC \$3,642,598.  
 11-11-08 Flwd 16 BO + 1016 BW on 18/64<sup>th</sup> @ 700#, cutting 5% oil; BLW 8278; BLWR 1459; BLWTR 6819; 18% BLWR; EDC \$5250; ETC \$3,647,848.  
 11-12-08 Flwd 444 BO + 782 BW on 20/64<sup>th</sup> @ 700#; BLW 8278; BLWR 2241; BLWTR 6037; 27% BLWR; EDC \$5250; ETC \$3,653,098.  
 11-13-08 Flwd 275 BO + 89 BW + 283 MCF on 20/64<sup>th</sup> @ 700#; BLW 8278; BLWR 2330; BLWTR 5948; 28% BLWR; EDC \$3750; ETC \$3,656,848.  
 11-14-08 Flwd 336 BO + 125 BW + 520 MCF on 20/64<sup>th</sup> @ 650#; EDC \$1000; ETC \$3,657,848.  
 11-15-08 Flwd 336 BO + 125 BW + 520 MCF on 20/64<sup>th</sup> @ 640#; EDC \$900; ETC \$3,658,748.  
 11-16-08 Flwd 415 BO + 136 BW + 421 MCF on 20/64<sup>th</sup> @ 600#; BLW 8278; BLWR 2716; BLWTR 5562; 33% BLWR; ETC \$3,656,848.  
 11-17-08 Flwd 352 BO + 145 BW + 397 MCF on 20/64<sup>th</sup> @ 580#; BLW 8278; BLWR 2861; BLWTR 5417; 35% BLWR; ETC \$3,656,848.  
 11-18-08 Flwd 311 BO + 149 BW + 359 MCF on 20/64<sup>th</sup> @ 550#; BLW 8278; BLWR 3010; BLWTR 5268; 36% BLWR; ETC \$3,656,848.  
 11-19-08 Flwd 308 BO + 136 BW + 435 MCF on 20/64<sup>th</sup> @ 510#; BLW 8278; BLWR 3146; BLWTR 5132; 38% BLWR; ETC \$3,656,848.

Operator: Southwest Royalties, Inc. Phone: 432-686-9927 Fax 432-688-3250  
 Well: University "P" No. 4H AFE: #80108/New Drilling/\$4,426,000  
 Location: 500 FSEL & 500 FSWL, Sec 28, Blk 18 – ULS Lease No.: 102029-04H  
 Ward County, Texas Field: War-Wink, S (Wolfcamp)  
 SWR WI 100% Site Supervisor: Trent Grove/Grey Wolf #104  
 Description: Drill & complete ½ sec lateral Bone Spring "A" Zone, TVD 11,400', MD 14,000'

11-20-08 Flwd 309 BO + 129 BW + 393 MCF on 20/64<sup>th</sup> @ 500#; BLW 8278; BLWR 3275; BLWTR 5003; 40% BLWR; ETC \$3,656,848.

11-21-08 Flwd 281 BO + 122 BW + 333 MCF on 20/64<sup>th</sup> @ 450#

11-22-08 Flwd 289 BO + 120 BW + 405 MCF on 20/64<sup>th</sup> @ 425#

11-23-08 Flwd 250 BO + 115 BW + 381 MCF on 20/64<sup>th</sup> @ 400#; BLW 8278; BLWR 3632; BLWTR 4646; 44% BLWR

11-24-08 Flwd 223 BO + 130 BW + 398 MCF on 20/64<sup>th</sup> @ 450#; BLW 8278; BLWR 3762; BLWTR 4516; 45% BLWR

11-25-08 Flwd 226 BO + 121 BW + 350 MCF on 20/64<sup>th</sup> @ 350#

11-26-08 Flwd 203 BO + 119 BW + 322 MCF on 20/64<sup>th</sup>

11-27-08 Flwd 184 BO + 100 BW + 294 MCF on 20/64<sup>th</sup> @ 300

11-28-08 Flwd 173 BO + 167 BW + 122 MCF on 20/64<sup>th</sup> @ 260

11-29-08 Flwd 245 BO + 104 BW + 225 MCF on 20/64<sup>th</sup> @ 245

11-30-08 Flwd 141 BO + 106 BW + 248 MCF on 20/64<sup>th</sup> @ 230; BLW 8278; BLWR 4479; BLWTR 3799; 54% BLWR

12-01-08 Flwd 204 BO + 102 BW + 206 MCF on 20/64<sup>th</sup> @ 240#; BLW 8278; BLWR 4581; BLWTR 3697; 55% BLWR

12-02-08 Flwd 127 BO + 108 BW + 227 MCF on 20/64<sup>th</sup> @ 230#; BLW 8278; BLWR 4689; BLWTR 3589; 57% BLWR

12-03-08 Flwd 201 BO + 153 BW + 259 MCF on 20/64<sup>th</sup> @ 150#; BLW 8278; BLWR 4842; BLWTR 3436; 59% BLWR

12-04-08 Flwd 421 BO + 179 BW + 408 MCF on 26/64<sup>th</sup> @ 500#; BLW 8278; BLWR 5021; BLWTR 3257; 61% BLWR

12-05-08 Flwd 374 BO + 167 BW + 707 MCF on 26/64<sup>th</sup> @ 600#

12-06-08 Flwd 94 BO + 96 BW + 120 MCF on 26/64<sup>th</sup> @ 100#

12-07-08 Flwd 0 BO + 0 BW + 24 MCF on 26/64<sup>th</sup> @ 70#; bypass sep switch to htr; BLW 8278; BLWR 5284; BLWTR 2994; 64% BLWR

12-08-08 Flwd 66 BO + 74 BW + 43 MCF on 26/64<sup>th</sup> @ 60#; BLW 8278; BLWR 5358; BLWTR 2920; 65% BLWR

12-09-08 Flwd 3 BO + 20 BW + 53 MCF on 26/64<sup>th</sup> @ 70#; BLW 8278; BLWR 5378; BLWTR 2900; 65% BLWR; Current Activity: run prod string; RU Wildcat; SDON EDC \$1200

12-10-08 Set pipe racks & catwalk; unload & tally 343 jts 2-7/8 L-80 8rd tbq; RU KT; pmpd 60 Bbls 10#; TIH w/3-1/2 BPMA, 2-7/8 sub, SN, 8 jt 2-7/8, 2-7/8x7' TAC, 322 jts tbq; ND BOP; TAC would not set; NU BOP; left csg open to btry; SD; BLW 8278; BLWR 5378; BLWTR 2900; 65% BLWR EDC \$9780; ETC \$3,667,828

12-11-08 OWU; TP 80#, CP 40#; bled off; RU KT on csg; pmpd ½ BPM; ND BOP; set TAC (18 pts); NU WH; TIH w/2-1/2x1-1/2x30 pmp, 1-1/2 WB (3/4), 33 K-shear tool, 4 – 1-1/2 WB (3/4), 71 – ¾, 124 – 7/8 & 148 FG, spaced out (45"); HO; left well down to hook-up WH; SD; KB 21', 322 jts 2-7/8 L-80 – 10,364.87-10,385.87, 2-7/8x7' TAC – 3.00-10,388.87, 8 jts 2-7/8 L-80 – 259.24-10,648.11, SN – 1.10-10,649.21, 2-7/8 L-80 sub – 5.65-10,654.86, 3-1/2 BPMA – 30.90-10,694.78; BLW 8278; BLWR 5378; BLWTR 2900; 65% BLWR EDC \$189,624; ETC \$3,857,452

12-12-08 Pmpd 8 BO + 0 BW + 2 MCF; BLW 8278; BLWR 5378; BLWTR 2900; 65% BLWR

12-13-08 Pmpd 39 BO + 220 BW + 23 MCF; BLW 8278; BLWR 5598; BLWTR 2680; 67% BLWR

12-14-08 Pmpd 34 BO + 231 BW + 118 MCF; BLW 8278; BLWR 5829; BLWTR 2449; 70% BLWR

12-15-08 Pmpd 105 BO + 258 BW + 70 MCF; BLW 8278; BLWR 6087; BLWTR 2191; 74% BLWR

12-16-08 Pmpd 468 BO + 261 BW + 600 MCF; BLW 8278; BLWR 6348; BLWTR 1930; 77% BLWR

12-17-08 Pmpd 627 BO + 130 BW + 955 MCF; CP 500#; BLW 8278; BLWR 6478; BLWTR 1800; 78% BLWR

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12-18-08 Flwg 570 BO + 133 BW + 900 MCF on 20/64" chk; CP 500#; BLW 8278; BLWR 6611; BLWTR 1667; 79% BLWR  
12-19-08 Flwg 756 BO + 122 BW + 792 MCF on 16/64" chk; CP 490#  
12-20-08 Flwg 446 BO + 90 BW + 668 MCF on 16/64" chk; CP 380#  
12-21-08 Flwg 440 BO + 98 BW + 654 MCF; BLW 8278; BLWR 6921; BLWTR 1357; 84% BLWR  
12-22-08 Flwg 314 BO + 99 BW + 622 MCF; BLW 8278; BLWR 7020; BLWTR 1258; 84% BLWR  
12-23-08 Flwd 561 BO + 100 BW + 472 MCF  
12-24-08 Flwd 369 BO + 99 BW + 615 MCF  
12-25-08 Flwd 555 BO + 106 BW + 599 MCF  
12-26-08 Flwd 385 BO + 97 BW + 558 MCF  
12-27-08 Flwd 391 BO + 120 BW + 568 MCF  
12-28-08 Flwd 355 BO + 93 BW + 585 MCF; BLW 8278; BLWR 7635; BLWTR 643; 92% BLWR  
12-29-08 Flwd 289 BO + 86 BW + 517 MCF; BLW 8278; BLWR 7721; BLWTR 557; 93% BLWR  
12-29-09 Flwd 346 BO + 70 BW + 523 MCF.  
12-31-08 Flwd 333 BO + 74 BW + 509 MCF.  
01-01-09 Flwd 244 BO + 82 BW + 543 MCF.  
01-02-09 Flwd 330 BO + 101BW + 524 MCF.  
01-03-09 Flwd 396 BO + 110 BW + 678 MCF.  
01-04-09 Flwd 297 BO + 105 BW + 516 MCF; BLW 8278; BLWR 8263; BLWTR 15; 99% BLWR  
01-05-09 Flwd 305 BO + 108 BW + 502 MCF; BLW 8278; BLWR 8371; all load recovered.  
01-06-09 Flwd 273 BO + 110 BW + 488 MCF.  
01-07-09 Flwd 289 BO + 109 BW + 501 MCF; dropped from report.