

**SBJ ENERGY PARTNERS, LLC MORNING REPORT  
UNIVERSITY LANDS 1201 WELL**

<b>TRRC PERMIT NUMBER:</b>	823081	<b>DISTRICT:</b>	8
<b>API WELL NUMBER:</b>	42-003-47494	<b>COUNTY:</b>	Andrews
<b>TYPE OF OPERATION:</b>	New Drill	<b>WELLBORE PROFILE:</b>	Vertical

<b>DATE:</b>	<b>SUMMARY OF OPERATIONS:</b>
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March 15, 2017	Location built. Pits dug and lined, Water hauled in to stabilize pit liners. 75 feet of 16 inch conductor pipe driven.  Rig expected on-site between 3/17/2017 - 3/19/2017  Next report shall be rig on location and spud date (complete with other pertinent information)
March 17, 2017	Move rig onto location and begin rig-up.
March 18, 2017	Continuing rig-up operations
March 19, 2017	Complete rig up operations
March 20, 2017	Drilling operations commenced at 01:30:00 am. As of 8:00 am drilling at 600 feet
March 21, 2017	Drilling at 1575' in Red Bed; Made 1285' in last 24 hour period. MW = 9.0; Viscosity = 29; WOB varying from 15,000# to 3,000#. PP = 686 psi; Wireline surveys: 500' = 1 1/4 degrees; 738' = 2 degrees; 952' = 2 1/4 degrees; 1166' = 2 degrees; 1426' = 3 1/4 degrees. Drilling rate varying from 100' per hour to 50' per hour. Drill rate slowed down from 100'/hr at 738' to 75'/hr; slowed rate from 75'/hr at 952' to 50' per hour. Increased rate back to 75'/hr at 1166', and decreased rate from 75'/hr to 50'/hr at 1426'. Continue to drill & monitor wireline surveys to total depth of 2000'.
March 22, 2017	Continue drilling. Drilling Rate varying from 25' to 50' per hour Reach 2000 feet. Run 8-5/8" casing to surface. Cement to surface. As of 11:00 am still cementing in casing.

**SEE SHEET 2**

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March 23, 2017	Complete running 8-5/8 inch casing Cement to surface at 3:00 pm 03/22/2017 Wait on Cement, Service Rig Continue drilling at 3:00 am 3/23/2017 As of 11:00 am 3/23/2017 drilling. Drilling rate 20' to 30' per hour.
March 24, 2017	Completed drilling of well reaching TD at approximately 4: 30 pm TD at approx 3200 feet Samples indicate strong shows of oil and gas. Samples indicate 90 feet of pay (not including stringers) TOOH and Lay Down Drill Pipe Continue circulating to condition the hole Wait on Logging Company Logged well Running 5-1/2 inch casing Actual TD at 3150 feet Release Rig