

	<b>Daily Drilling Report</b> Well ID: 42-383-39868 Field: Impossible				<b>SEM Operating Company, LLC</b> Well Name: University 9 2901WB Sect: 29 County: Reagan State: TX						
Report No: 16					Report For 06:00 AM 01-Jul-17						
Operator: SEM		Rig: H&P 467		Spud Date:		Daily Cost / Mud (\$): 54,217 / 3,450					
Measured Depth (ft): 12556		Drilling Days (act.): 16		Well Bore: Original Well Bore		AFE No.		AFE (\$)		Actual (\$)	
Vertical Depth (ft): 8195		Drilling Days (plan):		RKB Elevation (ft): 0.00		041517		6,063,125		1,456,330	
Proposed TD (ft):		Days On Location: 16		Last BOP Test: 26-Jun-17							
Hole Made (ft) / Hrs: 2,705 / 21.5		Last Casing: 9.63 at 7,526				Totals:		6,063,125		1,456,330	
Average ROP (ft/hr): 125.81		Next Casing:		Working Interest:		Well Cost (\$):				1,456,330	
Pers/Hrs: Operator: 2 / 24		Contractor: 11 / 132		Service: 7 / 84		Other: 0 / 0		Total:		20 / 240	
SafetySummary: No incidents or events reported. 15 days since LTI. Conducted BOP Drill, Safety Meeting.											
Current Operations: DRLG LATERAL AT 12556'											
Planned Operations: CONT DRLG LATERAL TO TD											
Toolpusher: JUAN CANTU											
Wellsite Supervisors: GUY EMBRY, TONY KARL										Tel No.:	
Operations Summary											
From	To	Elapsed	End MD(ft)	Code	Operations Description						Non-Prod
6:00	7:00	1.00	9,924	DRILR	ROTATE DRILL FROM 9,851' TO 9,924, WOB 28, RPM 67, TORQ 13, GPM 600, PSI 3650, DIFF 700						
7:00	7:30	0.50	9,944	DRILS	SLIDE DRILL FROM 9,244' TO 9,944' TF 145-R, GPM 600, PSI 3500, DIFF 400, WOB 40..						
7:30	8:00	0.50	10,019	DRILR	ROTATE DRILL FROM 9,944' TO 10019', WOB 28, RPM 80, TORQ 13, GPM 600, PSI 3450, DIFF 300						
8:00	8:30	0.50	10,044	DRILS	SLIDE DRILL FROM 10019' TO 10044' TF 90R, GPM 600, PSI 3450, DIFF 300, WOB 45..						
8:30	11:00	2.50	10,491	DRILR	ROTATE DRILL FROM 10044' TO 10491, WOB 28, RPM 67, TORQ 11, GPM 600, PSI 3650, DIFF 400						
11:00	11:30	0.50	10,511	DRILS	SLIDE DRILL FROM 10491' TO 10511' TF 90R, GPM 600, PSI 3450, DIFF 400, WOB 45..						
11:30	12:00	0.50	10,585	DRILR	ROTATE DRILL FROM 10511' TO 10585', WOB 28, RPM 87, TORQ 13, GPM 600, PSI 3400, DIFF 700						
12:00	12:30	0.50	10,610	DRILS	SLIDE DRILL FROM 10585' TO 10610' TF 90R, GPM 600, PSI 3500, DIFF 400, WOB 50..						
12:30	13:00	0.50	10,710	DRILR	ROTATE DRILL FROM 10610' TO 10680, WOB 28, RPM 67, TORQ 13, GPM 600, PSI 3650, DIFF 700 , SLIDE DRILL FROM 10680' TO 10710' TF 90R, GPM 600, PSI 3550, DIFF 400, WOB 50..,						
13:00	15:00	2.00	11,045	DRILR	ROTATE DRILL FROM 10710' TO 11045', WOB 28, RPM 70, TORQ 13, GPM 600, PSI 3750, DIFF 700						
15:00	16:30	1.50	11,045	CIRC	CIRC THREE SWEEPS FOR CLEAN UP CYCLE						
16:30	17:00	0.50	11,045	SERV	RIG SERVICE AND CHK COM						
17:00	19:00	2.00	11,340	DRILR	ROTATE DRILL FROM 11045 TO 11340, WOB 26, RPM 70, TORQ 13, GPM 600, PSI 3850, DIFF 750						
19:00	19:30	0.50	11,350	DRILS	SLIDE DRILL FROM 11340 TO 11350 TF 160-R, GPM 600, PSI 3850, DIFF 750, WOB 30..						
19:30	21:30	2.00	11,623	DRILR	ROTATE DRILL FROM 11350 TO 11623, WOB 26, RPM 65, TORQ 13, GPM 600, PSI 3850, DIFF 750						
21:30	22:00	0.50	11,643	DRILS	SLIDE DRILL FROM 11623 TO 11643 TF 110-R, GPM 600, PSI 3630, DIFF 350, WOB 30..						X
22:00	0:30	2.50	12,000	DRILR	ROTATE DRILL FROM 11343 TO 12000, WOB 26, RPM 62, TORQ 13, GPM 600, PSI 3850, DIFF 750						
0:30	1:00	0.50	12,030	DRILS	SLIDE DRILL FROM 12000 TO 12030 TF 30-R, GPM 600, PSI 3820, DIFF 340, WOB 30..						
1:00	2:00	1.00	12,189	DRILR	ROTATE DRILL FROM 12030 TO 12189, WOB 25, RPM 60, TORQ 13, GPM 600, PSI 3900, DIFF 650						
2:00	2:30	0.50	12,204	DRILS	SLIDE DRILL FROM 12189 TO 12204 TF 120-R, GPM 600, PSI 3820, DIFF 340, WOB 30..						
2:30	4:30	2.00	12,472	DRILR	ROTATE DRILL FROM 12204 TO 12472, WOB 25, RPM 80, TORQ 13, GPM 600, PSI 4100, DIFF 650						
4:30	5:00	0.50	12,472	REPS	TROUBLE SHOOT MWD PROBLEM						X
5:00	5:30	0.50	12,502	DRILS	SLIDE DRILL FROM 12472 TO 12502 TF 130-L, GPM 600, PSI 4100, DIFF 650, WOB 30..						
5:30	6:00	0.50	12,556	DRILR	ROTATE DRILL FROM 12502 TO 12556, WOB 26, RPM 75, TORQ 14, GPM 600, PSI 4100, DIFF 650 LAST SURVEY @ 12406' INC.=91.74, AZM=6.53 , TVD=8195.80, 7.28 ABOVE, 20' L						
Management Summary											
LAST SURVEY 12406' INC=91.74, AZ=6.53, TVD=8195.80, 7.28 ABOVE, 20' LEFT											
Casing/Tubular Information											
Type	Size (ins)	Top MD (ft)	Top TVD (ft)	Bottom MD (ft)	Bottom TVD (ft)	Hole Section	OH Diam. (ins)	Nom. Wgt. (lbs)	Nominal Grade	LOT (lbs/gal)	
FULL	13.38	0		745		SURF	17.50	54.50	J-55		
FULL	9.63	0		7,526			12.25	40.00	L-80		
Cost/AFE Information											
AFE No	AFE Description			AFE Amount	Daily Mud	Well Mud	Daily Total	Well Total	% Spent		
041517	D & C 7500' lateral horizontal we			6,063,125.00	3,449.88	80,957.69	54,217.27	1,456,329.79	24.02 %		
Totals \$:				6,063,125.00	3,450.00	80,958.00	54,217.00	1,456,330.00	24.02 %		

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		Field: Impossible														Sect: 29 County: Reagan State: TX											
Report No: 16														Report For 06:00 AM 01-Jul-17													
Mud Information																											
														%						Gels			Temp		Mud		
Dens.	Vis	PV	YP	Filt.	Cake	pH/ES	Solids	Oil	Water	Sand	LGS	Cl	Ca	CaCl	10s	10m	30m	In	Out	Loss							
30-Jun-17 22:00 at Depth 11,696 ft Mud Pits, Type: Oil Base Mud																											
10.00	73.00	2.00	3.00	10	2		12.3	60	25.5			55000			12	18		22.00	35.00								
Mud Consumables																											
Item Description							Qty.	Cost		Item Description							Qty.	Cost									
ABS MUL - GALS							137	1,280.95		AES VIS LS (50) - SACK							3	274.14									
AES WA II - EA							275	2,717.00		Barite (Bulk) - EA							700	7,679.00									
CaCL2 - 50#SK							31	453.53		Claytone II - 50#SK							7	693.49									
ENGINEER - EA							1	800.00		ENGINEERing diem - EA							1	50.00									
FIR PLUS - 50#SK							15	1,614.30		Lime - 50#SK							25	178.50									
Bit/BHA/Workstring Information																											
				Depth		This Run		R.O.P.						Mud		Pump											
No Run	Make	Model		Diam	In	Dist	Hrs	Avg	Max	WOB	RPM	Torque	Wt	Flow	Press	J. Vel	P. Drp	HP	HP	JIF							
3	1	ULTERI	U616M	8.75	8516	4,040	33.5	120.6		28.00	65		10	597	4100	86	67	23	268								
Jets: 22 22 22 22 22 22				Out:		Grade:		Cutter:		/		Dull:		/		Wear:		Brgs:		Gge:		Pull:					
BHA - No. 3 - BIT, MMTR, UBHO, NMDC, NMFLEX, XO = 96.06																											
Drilling Parameters																											
Depth (ft)		ROP (ft/hr)		WOB (lbs)		RPM		Torque (ft lbs)		Flow (gals/min)		Pressure															
From	To	Avg	Max	Avg	Max	Avg	Max	Avg	Max	Avg	Max	Avg	Max														
9,851	12,556	257.0	325.0	26.00	29.00	65	80	13,000.	14,000.	597.00	597.00	4,100.00															
Annular Velocity:		Drill Collars:		191.1		Drill Pipe:		191.1																			
Miscellaneous Drilling Parameters																											
Hook Loads (lbs):		Off Bottom Rotate:		100,000.00		Pick Up:		210,000.00		Slack Off:		170,000.00		Drag Avg/Max:		12000 / 30000											
Slow Circulation Data:																											
Pump 1:		60 spm		700 psi		40 spm		520 psi		20 spm		370 psi															
Pump 2:		60 spm		690 psi		40 spm		520 psi		20 spm		360 psi															
Hours on BHA:		Since Inspection:		33.5		Total:		Jars:																			
Survey Information																											
Survey Type		Meas. Depth		Inc.	Azimuth		TVD	Closure	Vertical Section		Coordinates		N-S		E-W		D.L.S.										
MWD		9,764.0		91.52	1.0		8,212.6	1,937.6	1,936.6		N 1935.0		E 100.9		0.68												
MWD		9,858.0		91.47	0.9		8,210.1	2,031.5	2,030.6		N 2029.0		E 102.5		0.11												
MWD		9,953.0		88.62	359.2		8,210.0	2,126.4	2,125.6		N 2123.9		E 102.5		3.52												
MWD		10,047.0		90.64	3.2		8,210.6	2,220.4	2,219.6		N 2217.9		E 104.4		4.80												
MWD		10,141.0		90.86	3.5		8,209.4	2,314.3	2,313.5		N 2311.7		E 109.9		0.36												
MWD		10,236.0		90.07	1.8		8,208.6	2,409.3	2,408.4		N 2406.6		E 114.2		1.94												
MWD		10,331.0		90.02	0.6		8,208.6	2,504.3	2,503.4		N 2501.6		E 116.1		1.30												
MWD		10,425.0		90.37	359.2		8,208.2	2,598.2	2,597.4		N 2595.6		E 115.9		1.54												
MWD		10,519.0		89.89	358.5		8,208.0	2,692.0	2,691.3		N 2689.6		E 114.0		0.83												
MWD		10,614.0		90.24	0.5		8,207.9	2,786.9	2,786.3		N 2784.6		E 113.2		2.08												
MWD		10,708.0		90.02	1.8		8,207.7	2,880.8	2,880.3		N 2878.6		E 115.0		1.41												
MWD		10,802.0		90.90	4.2		8,207.0	2,974.8	2,974.2		N 2972.4		E 119.9		2.70												
MWD		10,896.0		90.11	3.6		8,206.1	3,068.8	3,068.1		N 3066.2		E 126.3		1.01												
MWD		10,991.0		91.08	6.0		8,205.1	3,163.7	3,162.9		N 3160.8		E 134.2		2.70												
MWD		11,085.0		90.24	3.9		8,204.1	3,257.6	3,256.7		N 3254.5		E 142.3		2.42												
MWD		11,180.0		90.29	2.3		8,203.6	3,352.6	3,351.6		N 3349.3		E 147.5		1.66												
MWD		11,274.0		90.42	0.9		8,203.0	3,446.6	3,445.6		N 3443.3		E 150.1		1.51												
MWD		11,368.0		88.88	359.3		8,203.6	3,540.5	3,539.6		N 3537.3		E 150.3		2.35												
MWD		11,463.0		91.25	1.0		8,203.5	3,635.4	3,634.6		N 3632.3		E 150.5		3.05												
MWD		11,557.0		90.11	359.1		8,202.4	3,729.3	3,728.6		N 3726.3		E 150.6		2.38												
MWD		11,652.0		89.49	1.0		8,202.7	3,824.2	3,823.5		N 3821.3		E 150.6		2.13												
MWD		11,746.0		90.07	1.5		8,203.1	3,918.2	3,917.5		N 3915.2		E 152.7		0.84												
MWD		11,840.0		90.24	359.9		8,202.8	4,012.2	4,011.5		N 4009.2		E 153.8		1.79												
MWD		11,934.0		90.33	358.2		8,202.4	4,106.0	4,105.4		N 4103.2		E 152.2		1.78												
MWD		12,028.0		90.15	0.3		8,202.0	4,199.9	4,199.4		N 4197.2		E 150.9		2.25												
MWD		12,123.0		90.77	1.4		8,201.2	4,294.9	4,294.4		N 4292.2		E 152.4		1.37												
MWD		12,217.0		89.67	3.0		8,200.8	4,388.9	4,388.4		N 4386.1		E 156.0		2.05												
MWD		12,311.0		91.25	5.4		8,200.1	4,482.8	4,482.2		N 4479.8		E 162.9		3.04												
MWD		12,406.0		91.74	6.5		8,197.6	4,577.6	4,576.8		N 4574.3		E 172.7		1.31												
Mud Log Information																											
Depth (ft)		TVD (ft)		Gas (Units)		Gas		Drilling		Pore		Mud		Shale		ROP											
From	To	From	To	Avg	Max	at Depth	Connect.	Trip	Exp.	Press	Dens.	Dens.	Shale	Sand													
9,665	12,472	91	91	600.00	803.00	11010	600.00				9.90		221														
Formation Name:																											
Lithology: 100% SHALE																											

	<div><div>Daily Drilling Report</div><div>Well ID: 42-383-39868</div><div>Field: Impossible</div></div>	<div><div>SEM Operating Company, LLC</div><div>Well Name: University 9 2901WB</div><div>Sect: 29 County: Reagan State: TX</div></div>					
Report No: 16		Report For 06:00 AM 01-Jul-17					
Rig Information							
Equipment Problems: NONE							
Location Condition: GOODE							
Transport:							
Solids Control Information							
Screen Sizes:	Top	Middle 1	Middle 2	Bottom	Equipment Usage (Hrs):		
Shaker No 1:	200	200	200	200	Desander: 0	Desilter: 0	Degasser: 0
Shaker No 2:	200	200	200	200	Centrifuge 1: 24		Centrifuge 2: 8
Shaker No 3:	200	200	200	200			
Shaker No 4:	200	200	200	200			
Bulk Inventory							
Item Type		Units	Beginning	Used	Received	On Hand	Net
Fuel		GALS	4,096	2,648	4,528	5,976	1,880
Office trailer generator		GALS	177	40	235	372	195
Mud		GALS	6,472	3,518	3,300	6,254	-218
Safety Information							
Meetings/Drills	Time	Description					
Safety	30	MAKING CONNECTIONS, DRILLING OPERATIONS					
BOP	5						
First Aid Treatments:		Medical Treatments:		Lost Time Incidents:		Days Since LTI: 15	
<input type="checkbox"/> BOP Test	<input type="checkbox"/> Crownamatic Check						
Weather Information							
Sky Condition: RAIN		Visibility: 20					
Air Temperature: 98.60 degF		Bar. Pressure:					
Wind Speed/Dir: 15 / SSW		Wind Gusts: 50					
Rental Tools Information							
Type	Description	Serial No.	Vendor	Acct Code	Today's Cost \$	Start	End
Trailer	HOUSING		TREND	9240-01	900.00	15-Jun-17	
Notes: 4 TRAILERS							
Frac Tanks	FRAC TANKS		THORPE	9245-01	175.00	15-Jun-17	
Notes: 7 FRAC TANKS							
PVT	RIG SENSE		TOTCO	9240-01	388.00	15-Jun-17	
Light Tower	LIGHT TOWERS		CACTUS	9240-01	125.00	15-Jun-17	
Notes: 5 LIGHT PLANTS							
OBM Control	CENTRIFUGES		DES	9210-01	3,050.00	15-Jun-17	
Frac Tanks	OBM STORAGE		PURITY	9210-01	489.00	15-Jun-17	
Notes: 5 TANKS AND MANIFOLD							
SPOOLS	BOP SPACER SPOOL		MONAHANS	9240-01	110.00	15-Jun-17	
Trans. Pump	TRANS PUMP		TIGER	9240-01	255.00	15-Jun-17	
Notes: 3 TIGER 4X4 PUMPS							
H2S	AMPRO H2S		AMPRO	9240-01	100.00	15-Jun-17	
Rotating Hd.	ROT HEAD		AIR DRIL	9240-01	120.00	15-Jun-17	
Mud Bucket	mud bucket		STABIL	9241-01	110.00	15-Jun-17	
Rig Vac	MUD VACUME		KSW	9241-01	200.00	15-Jun-17	
Notes: MUD VAC/SHAKER WASHER							
Containment	KATCH KAN		KATCH	9240-01	150.00	27-Jun-17	
Notes: KATCH KAN							
Total Daily Rental Cost \$:					6,172.00		