



Daily Drilling Report

Well ID: 42-383-39869

Field: Impossible

SEM Operating Company, LLC

Well Name: University 9 2902WB

Sect: 29 County: Reagan State: TX

Report No: 6

Report For 06:00 AM 10-Jul-17

| | | | | | | | | | | | | | | | |
|-----------------------|--|------------------|--|-----------------------|--|--------------|--|-------------------------------|--|------------------------|--|----------------|--|-------------|--|
| Operator: | | SEM OPERATING | | Rig: | | H&P 467 | | Spud Date: | | Daily Cost / Mud (\$): | | 51,083 / 5,591 | | | |
| Measured Depth (ft): | | 2328 | | Drilling Days (act.): | | 6 | | Well Bore: Original Well Bore | | AFE No. | | AFE (\$) | | Actual (\$) | |
| Vertical Depth (ft): | | 2326 | | Drilling Days (plan): | | | | RKB Elevation (ft): 0.00 | | 041717 | | 6,063,125 | | 198,707 | |
| Proposed TD (ft): | | | | Days On Location: | | 6 | | Last BOP Test: | | | | | | | |
| Hole Made (ft) / Hrs: | | 1,578 / 15.5 | | Last Casing: | | 13.38 at 745 | | | | Totals: | | 6,063,125 | | 198,707 | |
| Average ROP (ft/hr): | | 101.81 | | Next Casing: | | | | Working Interest: | | Well Cost (\$): | | | | 198,707 | |
| Pers/Hrs: | | Operator: 2 / 24 | | Contractor: | | 11 / 132 | | Service: 7 / 84 | | Other: 0 / 0 | | Total: | | 20 / 240 | |

SafetySummary: No incidents or events reported. 3 days since LTI. Conducted Crown Check, Safety Meeting.

Current Operations: DRILLING 12 1/4" HOLE @ 2328'

Planned Operations: DRILL 12 1/4" HOLE

Toolpusher: LUKE BOYD

Wellsite Supervisors: GUY EMBRY, DARYL MCENTYRE

Tel No.:

Operations Summary

| From | To | Elapsed | End MD(ft) | Code | Operations Description | Non-Prod |
|-------|-------|---------|------------|-------|---|----------|
| 6:00 | 11:30 | 5.50 | 750 | BHAOP | M-UP 12.25" BHA RIH TAG CMT AT712' | |
| 11:30 | 12:30 | 1.00 | 750 | DCS | DRLG CMT AND SHOE TRACK FROM 712' TO 750' | |
| 12:30 | 14:00 | 1.50 | 953 | DRILR | DRLG 12.25" HOLE FROM 750' TO 953' GPM=400, PSI=832, DIFF=273, WOB=22 , RPM=30 | |
| 14:00 | 15:30 | 1.50 | 953 | TRPO | TOOH 3 STDS DP , PICK 7 , 6.5" DC's | |
| 15:30 | 17:30 | 2.00 | 1,260 | DRILR | DRLG 12.25" HOLE FROM 953' TO 1260' GPM 650, PSI=1450, DIFF=400, WOB=25, RPM=55 | |
| 17:30 | 18:00 | 0.50 | 1,260 | SERV | RIG SERVICE | |
| 18:00 | 23:30 | 5.50 | 1,920 | DRILR | DRLG 12.25" HOLE FROM 1260' TO 1920' GPM 775, PSI=1750, DIFF=500, WOB=25, RPM=55 | |
| 23:30 | 1:00 | 1.50 | 2,014 | DRILS | SLIDE FROM 1920' TO 2014' MTF=200 PSI=2050 DIFF=350 WOB=25 | |
| 1:00 | 3:30 | 2.50 | 2,203 | DRILR | DRLG 12.25" HOLE FROM 2014' TO 2203' GPM 775, PSI=2200, DIFF=550, WOB=25, RPM=50 | |
| 3:30 | 4:30 | 1.00 | 2,238 | DRILS | SLIDE FROM 2203' TO 2238' MTF=120 PSI=2050 DIFF=350 WOB=20 | |
| 4:30 | 5:00 | 0.50 | 2,297 | DRILR | DRLG 12.25" HOLE FROM 2238' TO 2297' GPM 775, PSI=2200, DIFF=550, WOB=25, RPM=60 | |
| 5:00 | 6:00 | 1.00 | 2,328 | DRILS | SLIDE FROM 2297' TO 2328' MTF=180 PSI=2050 DIFF=350 WOB=20 SURVEY @ 2148' INC=4.00 AZM=245.31 | |

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 | | | | |

Cost/AFE Information

| AFE No | AFE Description | AFE Amount | Daily Mud | Well Mud | Daily Total | Well Total | % Spent |
|------------|----------------------------------|--------------|-----------|-----------|-------------|------------|---------|
| 041717 | D & C a 7500' Lateral horizontal | 6,063,125.00 | 5,590.96 | 11,480.96 | 51,082.96 | 198,706.96 | 3.28 % |
| Totals \$: | | 6,063,125.00 | 5,591.00 | 11,481.00 | 51,083.00 | 198,707.00 | 3.28 % |

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 | |
| 09-Jul-17 22:00 at Depth 745 ft Mud Pits, Type: Saturated Salt Mud | | | | | | | | | | | | | | | | | | | | | |
| 10.10 | 29.00 | 1.00 | 1.00 | 50 | 1 | | | | 88.1 | | 2 | | | | 1 | 1 | | 18.00 | 22.00 | | |

Mud Consumables

| Item Description | Qty. | Cost | Item Description | Qty. | Cost |
|---------------------|------|----------|-----------------------|------|--------|
| ENGINEER - EA | 1 | 800.00 | ENGINEERING diem - EA | 1 | 50.00 |
| Gel - 100#SK | 156 | 1,497.60 | Shrink Wrap - EA | 11 | 137.50 |
| Soad ash - 100#SK | 2 | 27.86 | Trucking - EA | 1 | 750.00 |
| Trucking (CWT) - EA | 776 | 2,328.00 | | | |



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Field: Impossible

SEM Operating Company, LLC

Well Name: University 9 2902WB

Sect: 29 County: Reagan State: TX

Report No: 6

Report For 06:00 AM 10-Jul-17

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 | HHP | JIF |
| 1 | 1 | NOV | SK716M | 12.25 | 750 | 1,578 | 15.5 | 101.8 | 315.0 | 25.00 | 55 | 12, | 10 | 775 | 2200 | 96 | 83 | 37 | 388 |
| Jets: 22 22 22 22 22 22 22 | | | | | Out: | | Grade: Cutter: / | | Dull: / | | Wear: | | Brgs: | | Gge: | | Pull: | | |
| BHA - No. 1 - BIT, MMTR, MSUB, NMDC, STAB, NMDC, STAB, SHOCK, 3 DC, XO, 12 DC, JAR, 9 DC, XO = 883.03 | | | | | | | | | | | | | | | | | | | |

Drilling Parameters

| Depth (ft) | | ROP (ft/hr) | | WOB (lbs) | | RPM | | Torque (ft lbs) | | Flow (gals/min) | | Pressure (psi) |
|-------------------|-------|----------------|-------|-----------|-------|-------------|-----|-----------------|-------|-----------------|--------|-------------------|
| From | To | Avg | Max | Avg | Max | Avg | Max | Avg | Max | Avg | Max | |
| 750 | 2,328 | 102.0 | 315.0 | 25.00 | 25.00 | 50 | 60 | 10.00 | 13.00 | 600.00 | 775.00 | 2,200.00 |
| Annular Velocity: | | Drill Collars: | | 170.9 | | Drill Pipe: | | 98.0 | | | | |

Miscellaneous Drilling Parameters

| | | | | | | | | | | | | | |
|------------------------|--|--------------------|--------|--------|----------|--------|---------|------------|--|--------|---------------|--|-------|
| Hook Loads (lbs): | | Off Bottom Rotate: | | 140.00 | Pick Up: | | 142.00 | Slack Off: | | 139.00 | Drag Avg/Max: | | 1 / 2 |
| Slow Circulation Data: | | | | | | | | | | | | | |
| Pump 1: | | 30 spm | 90 psi | 40 spm | 110 psi | 50 spm | 160 psi | | | | | | |

Solids Control Information

| Screen Sizes: | Top | Middle 1 | Middle 2 | Bottom |
|---------------|-----|----------|----------|--------|
| Shaker No 1: | 170 | 170 | 170 | 170 |
| Shaker No 2: | 170 | 170 | 170 | 170 |
| Shaker No 3: | 170 | 170 | 170 | 170 |

Bulk Inventory

| Item Type | Units | Beginning | Used | Received | On Hand | Net |
|--------------------------|-------|-----------|-------|----------|---------|-----|
| Fuel | GALS | 9,442 | 1,556 | 2,500 | 10,386 | 944 |
| Office trailer generator | GALS | 495 | 30 | | 465 | |
| Mud | GALS | 1,504 | 0 | | 1,504 | |

Safety Information

| Meetings/Drills | Time | Description |
|-----------------------------------|---|-----------------------|
| Safety | 30 | P/U BHA, DRILLING OPS |
| First Aid Treatments: | | Medical Treatments: |
| Lost Time Incidents: | | Days Since LTI: |
| 3 | | |
| <input type="checkbox"/> BOP Test | <input checked="" type="checkbox"/> Crownamatic Check | |

Rental Tools Information

| Type | Description | Serial No. | Vendor | Acct Code | Today's Cost \$ | Start | End |
|-------------|-------------|------------|--------|-----------|--------------------|-----------|-----|
| Trailer | HOUSING | | TREND | 9240-01 | 900.00 | 08-Jul-17 | |
| Frac Tanks | FRAC TANKS | | THORPE | 9245-01 | 175.00 | 08-Jul-17 | |
| PVT | RIG SENSE | | TOTCO | 9240-01 | 388.00 | 08-Jul-17 | |
| Light Tower | LIGHT TOWER | | CACTUS | 9240-01 | 125.00 | 08-Jul-17 | |
| OBM Control | CENTRIFUGES | | DES | 9210-01 | 3,050.00 | 08-Jul-17 | |
| Frac Tanks | OBM STORAGE | | PURITY | 9210-01 | 489.00 | 08-Jul-17 | |
| Trans. Pump | TRANS PUMP | | TIGER | 9240-01 | 255.00 | 08-Jul-17 | |
| H2S | AMPRO H2S | | AMPRO | 9240-01 | 100.00 | 08-Jul-17 | |
| Rig Vac | MUD VAC | | KSW | 9241-01 | 200.00 | 08-Jul-17 | |

Total Daily Rental Cost \$: 5,682.00