

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
 Oklahoma City, Oklahoma 73154-0496  
 405.848.8000  
 405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS  
 ANDREWS, TX  
 Cbp  
 WOLFCAMP 10,300'  
 GWI: 97.500000 NRI: 73.125000  
 Present Operation

Date	Day	Footage Depth	Cost Cum Cost	
09/20/07		0'	\$176.500	RU
		0'	\$176,500	

09/21/07 65' \$9,380 Build location, MIRU Patterson Drilling rig #60  
 65' \$185,880 9/12/07 - 9/20/07 - Build location, road and pits. MIRU Patterson Drilling rig #60. Provider of diesel fuel - CHK. Set conductor @ 65'.

09/22/07 1 1,809' \$58,781 Spud, drill & survey, pump sweep, circ  
 1,809' \$244,661 Finish MIRU Patterson Drilling rig #60, spud well @ 7:00 a.m. on 9/21/07, drill and survey, pump sweep, circ.

**Spud well @ 7:00 a.m. on 9/21/07**

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
290	1.00	0.00	0	0
624	0.75	0.00	0	0
923	0.75	0.00	0	0
1,367	1.00	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
8.5	28		2,500

09/23/07 2 0' \$107,831 Run 9 5/8" csg, cmt csg  
 1,809' \$352,492 Pump sweep, circ, set kelly back, drop Totco, TOO, tight 1,751' - 1,503' and 1,307' - 1,252', RU LD machine, LD 4 - 8" DCs, IBS and shock sub, RU csg crew, run 39 jts 9 5/8" 36# J-55 LTC csg, set @ 1,809', RU cmt crew, cmt w/ 500 sx + additives, 13.5 ppg, 1.74 yield, tail w/ 200 sx + additives, 14.8 ppg, 1.33 yield, WOC, top out w/ 105 sx + additives, 14.8 ppg, 1.33 yield, WOC.

**Run 39 jts 9 5/8" 36# J-55 LTC csg**

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
1,808	0.50	0.00	1,808	24

Mud Weight	Viscosity	Water Loss	Chlorides
8.5	28		2,500

09/24/07 3 623' \$34,594 Drill & survey  
 2,432' \$387,086 WOC, cut csg, weld on head, test to 1300#, NU BOP, test 350# - 1000#, PU bit and BHA, TIH, test csg 250# - 1000#, TIH, drill cmt, float collar and shoe, drill and survey.

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
2,100	0.80	0.00	0	0
2,355	1.10	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
9.9	28		186,000

09/25/07 4 838' \$20,539 Drill & survey  
 3,270' \$407,625 Drlg, TOO, COOH 12 stds, rig repair, COOH, pressure loss, no holes found, TIH, drill and survey.

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
2,767	0.70	0.00	0	0
3,178	1.90	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
9.9	28		188,000

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
 Oklahoma City, Oklahoma 73154-0496  
 405.848.8000  
 405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS  
 ANDREWS, TX  
 Cbp  
 WOLFCAMP 10,300'  
 GWI: 97.500000 NRI: 73.125000  
 Present Operation

Date	Day	Footage Depth	Cost Cum Cost
09/26/07	5	1,200'	\$30,719
		4,470'	\$438,344

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
3,430	1.00	0.00	0	0
3,788	1.10	0.00	0	0
4,094	1.50	0.00	0	0
4,376	1.75	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
10.0	28		197,000

09/27/07	6	630'	\$42,641
		5,100'	\$480,985

Drill ahead  
 Drill and survey, lost returns, pump pill, displace same, regain circ, lost approx 300 bbls 10# brine, circ, jet and clean mud pits, drill ahead.

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
4,692	0.90	0.00	0	0
4,992	1.70	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
10.0	28		197,000

09/28/07	7	1,067'	\$24,385
		6,167'	\$505,370

Drill & survey

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
5,260	2.00	0.00	0	0
5,559	1.60	0.00	0	0
5,797	1.10	0.00	0	0
6,120	2.25	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
8.8	46		32,000

09/29/07	8	760'	\$33,392
		6,927'	\$538,762

Drill & survey

Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
6,420	2.90	0.00	0	0
6,490	2.75	0.00	0	0
6,641	1.25	0.00	0	0

Mud Weight	Viscosity	Water Loss	Chlorides
8.9	46		37,500

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
 Oklahoma City, Oklahoma 73154-0496  
 405.848.8000  
 405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS  
 ANDREWS, TX  
 GWI: 97.500000 NRI: 73.125000  
 Present Operation  
 Cbp  
 WOLFCAMP 10,300'

Date	Day	Footage Depth	Cost Cum Cost	Present Operation	Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)
09/30/07	9	735' 7,662'	\$35,854 \$574,616	Drill & survey	6,946	1.75	0.00	0	0
					7,326	2.50	0.00	0	0
					7,515	1.25	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.8	41		40,500	
10/01/07	10	818' 8,480'	\$19,469 \$594,085	Drill & survey	7,895	0.75	0.00	0	0
					8,335	1.00	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.8	40		41,000	
10/02/07	11	339' 8,819'	\$49,990 \$644,075	Drill ahead Drlg, pump sweep, circ bottoms up, set kelly back, TOO, LD 2 stabilizers, teledrift and bit, MU bit, TIH, PU kelly, break circ and wash 8,500' - 8,561', no fill, drill ahead.	8,830	1.75	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.7	40			
10/03/07	12	265' 9,084'	\$20,074 \$664,149	TIH Drill and survey, rig repair, TOO looking for washout, check bit, TIH, rabbit each std to 1,500', rig repair, TIH.	9,337	0.75	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.9	44		42,000	
10/04/07	13	516' 9,600'	\$26,733 \$690,882	Drill & survey TIH to 9,022', PU kelly, break circ, wash 9,022' - 9,084', no fill, drill and survey.	9,809	1.25	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.8	43	100.0	29,000	
10/05/07	14	700' 10,300'	\$34,100 \$724,982	Drill & survey, circ & cond mud	9,809	1.25	0.00	0	0
					<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	
					8.8	46	8.2	38,000	

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
 Oklahoma City, Oklahoma 73154-0496  
 405.848.8000  
 405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS  
 ANDREWS, TX  
 Cbp  
 WOLFCAMP 10,300'  
 GWI: 97.500000 NRI: 73.125000  
 Present Operation

Date	Day	Footage Depth	Cost Cum Cost	Present Operation																				
10/06/07	15	0' 10,300'	\$43,626 \$768,608	TIH Circ bottoms up, set kelly back, survey, short trip 20 stds, TIH, circ and cond mud, TOO, set kelly back, TOO, LD stabilizers and bit, RU loggers, run logs to 10,308', RD loggers, MU bit, TIH.																				
				<table border="0"> <tr> <td>Measured Depth (Ft.)</td> <td>Incl Angle (Deg.)</td> <td>Drift Direction (Deg.)</td> <td>TVD (Ft.)</td> <td>Vertical Section (Ft.)</td> </tr> <tr> <td>10,283</td> <td>2.00</td> <td>0.00</td> <td>0</td> <td>0</td> </tr> <tr> <td><u>Mud Weight</u></td> <td><u>Viscosity</u></td> <td><u>Water Loss</u></td> <td><u>Chlorides</u></td> <td></td> </tr> <tr> <td>8.8</td> <td>48</td> <td>8.0</td> <td>41,000</td> <td></td> </tr> </table>	Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)	10,283	2.00	0.00	0	0	<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>		8.8	48	8.0	41,000	
Measured Depth (Ft.)	Incl Angle (Deg.)	Drift Direction (Deg.)	TVD (Ft.)	Vertical Section (Ft.)																				
10,283	2.00	0.00	0	0																				
<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>																					
8.8	48	8.0	41,000																					
10/07/07	16	0' 10,300'	\$18,990 \$787,598	Run 5 1/2" csg, circ clean TIH to 10,285', PU kelly, wash to 10,300', no fill, circ and cond mud, set kelly back, TOO, PU kelly, break circ, set kelly back, TOO, LD BHA, RU csg crew, run 231 jts 5 1/2" 17# N-80 LTC csg, set @ 10,300', RU cmt crew, circ clean. <b>Run 231 jts 5 1/2" 17# N-80 LTC csg</b>																				
				<table border="0"> <tr> <td><u>Mud Weight</u></td> <td><u>Viscosity</u></td> <td><u>Water Loss</u></td> <td><u>Chlorides</u></td> </tr> <tr> <td>8.8</td> <td>43</td> <td></td> <td></td> </tr> </table>	<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>	8.8	43														
<u>Mud Weight</u>	<u>Viscosity</u>	<u>Water Loss</u>	<u>Chlorides</u>																					
8.8	43																							
10/08/07	17	0' 10,300'	\$277,850 \$1,065,448	Cmt csg, release rig Circ, RU cmt crew, cmt stage 1 w/ 600 sx + additives, 13.2 ppg, 1.58 yield, displace, bump plug, float held, drop bomb, open DV tool, circ, cmt 2nd stage w/ 1,600 sx + additives, 11.5 ppg, 2.77 yield, tail w/ 100 sx + additives, 14.8 ppg, 1.32 yield, displace w/ 160 BFW, bump plug, close DV tool, lost returns after pumping 768 bbls lead cmt, RD cmt crew, ND BOP, set slips, cut csg, install wellhead, test, jet and clean mud pits, release Patterson Drilling rig #60 @ 1:00 a.m. on 10/8/07. <b>Release Patterson Drilling rig #60 @ 1:00 a.m. on 10/8/07</b>																				
10/09/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/10/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/11/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/12/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/13/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/14/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/15/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				
10/16/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07																				

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
 Oklahoma City, Oklahoma 73154-0496  
 405.848.8000  
 405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS  
 ANDREWS, TX  
 Cbp  
 WOLFCAMP 10,300'  
 GWI: 97.500000 NRI: 73.125000  
 Present Operation

Date	Day	Footage Depth	Cost Cum Cost	
10/17/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07
10/18/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07
10/19/07		0' 10,300'	\$0 \$1,065,448	Prepare location, facility and pipeline. Rig released 10/8/07
10/20/07		0' 10,300'	\$7,580 \$1,073,028	PU bit, 6 DCs and 210 jts 2 7/8" tbg, TDFR MIRU PU, receive, rack and tally 333 jts 2 7/8" tbg, ND wellhead, NU BOP, PU 4 3/4" new varel bit, 6 - 3 1/2" DCs and 210 jts 2 7/8" tbg, SDFN, TDFR.
10/23/07		0' 10,300'	\$8,880 \$1,081,908	POOH, LD tbg PU 8 jts 2 7/8" tbg, tag cmt stringers @ 6,866', clean out to top of DV tool, drill out DV tool @ 6,892', circ clean, PU 107 jts 2 7/8" tbg, RIH, tag PBTB @ 10,210', circ clean, POOH, LD 144 jts 2 7/8" tbg, SDFN.
10/24/07		0' 10,300'	\$6,975 \$1,088,883	LD tbg LD 181 jts 2 7/8" tbg and 6 - 3 1/2" DCs, ND BOP, NU frac valve, RD pulling unit and reverse unit.
10/25/07		0' 10,300'	\$6,975 \$1,095,858	Perforate Wolfcamp 9,870' - 10,093', TDFR RU JSI, run 4.61" GR/JB to PBTB @ 10,207', POOH w/ tools, RIH w/ CBL/CCL/Gamma Ray to PBTB @ 10,207', pressure csg to 1000#, log from PBTB to 2,000', TOC @ 2,440', POOH w/ tools, RIH w/ 3 1/8" perforating gun, perforate Wolfcamp 9,870' - 10,093' @ 4 spf, 60° phasing, SDFN, TDFR. <b>Perforate Wolfcamp 9,870' - 10,093'</b>
11/02/07		0' 10,300'	\$6,510 \$1,102,368	MIRU PU MIRU PU on matting board, set tbg racks, rack tbg, set 1/2 pit, frac tank and reverse equipment, SDFN.
11/03/07		0' 10,300'	\$9,610 \$1,111,978	PU DCs and tbg, TDFR CP 350#, pump 220 bbls 10# brine to kill, ND wellhead, NU BOP, PU 4 3/4" Varel bit, 6 - 3 1/2" DCs and 225 jts 2 7/8" tbg, bit @ 7,081', TDFR.
11/06/07		0' 10,300'	\$9,610 \$1,121,588	POOH w/ tbg to 7,081', TDFR CP 0#, TP 0#, RU foam air unit, circ w/ bit @ 7,081', unload 330 BW, RIH, tag @ 8,890', 69' fill, clean out sand, drill out CBP @ 8,890', circ clean, LD swivel, PU tbg, RIH, tag @ 9,390', 65' fill, clean out sand, drill out CBP @ 9,455', PU 2 jts tbg w/ swivel to 9,516', circ clean, POOH w/ tbg to 7,081', rec 1,210 BW, SDFN, TDFR.
11/08/07		0' 10,300'	\$276,873 \$1,398,461	Wait on pipeline Hydrotest tbg, RIH w/ tbg: 2 jts 2 7/8", 4' perforated sub, 2 7/8" SN, 32 - 7/8", TAC, 276 jts 2 7/8", SN @ 9,514', TAC @ 8,527', EOT @ 9,580', ND BOP, NU wellhead, RD pulling unit.
11/09/07		0' 10,300'	\$0 \$1,398,461	Wait on pipeline

**CHESAPEAKE OPERATING, INC.**

P. O. Box 18496  
Oklahoma City, Oklahoma 73154-0496  
405.848.8000  
405.879.7917 FAX

**Operated Daily Activity Report**

Status: **PRODUCING**

**UNIVERSITY 7-10 B 1**

UNIVERSITY LANDS

Cbp

ANDREWS, TX

WOLFCAMP 10,300'

Date Day Footage Cost  
Depth Cum Cost

GW: 97.500000

NRI: 73.125000

Present Operation

Date	Day	Footage Depth	Cost Cum Cost	Present Operation
11/10/07		0' 10,300'	\$5.400 \$1,403,861	NU flow line to wellhead MIRU Key WS, RU PU, MI and rack Weatherford E-line rod string, NU flow line to wellhead, begin electrical hook up, SDFN.
11/11/07		0' 10,300'	\$39.900 \$1,443,761	RIH w/ pump and E-line rod string, hang on, pumping good, SDFN, TDFR
11/12/07		0' 10,300'	\$0 \$1,443,761	Wait on pipeline
11/13/07		0' 10,300'	\$0 \$1,443,761	1st sales, 24 hrs, 0 BO, 180 BW, 6 MCFG, FTP 350#
				<b>First gas sales to Duke Energy on 11/12/07</b>
11/14/07		0' 10,300'	\$0 \$1,443,761	24 hrs, 0 BO, 338 BW, 2 MCFG, FTP 320#, FCP 80#
11/15/07		0' 10,300'	\$0 \$1,443,761	24 hrs, 2 BO, 321 BW, 3 MCFG, FTP 340#, FCP 80#
11/16/07		0' 10,300'	\$0 \$1,443,761	24 hrs, 3 BO, 322 BW, 4 MCFG, FTP 340#, FCP 80#, FR