

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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2-1-2012

Sweatt Construction has Location and Road complete. Wait on rig selection to build pits.

2-28-2012

Start building reserve pits to accommodate Patriot Rig #1.

3-1-2012

Finish building pits.

3-5-2012

Fence off reserve pits. Install 6 x 6 x 6 wooden cellar.

3-15-2012

Repair and replace pump at fresh water frac pit #2.

3-22-2012

Line reserve pits and haul several loads of water and put on inside reserve pit and outside reserve pit. Lay poly line from Block 6 Fresh Water frac pit to the location. Start to fill reserve pit with water. Pits are lined and filled up with water.

3-28-2012 Prepare to move Patriot Rig #1 on location when finished with the University 5-40 #8.

4-4-2012 Wait on Patriot Rig #1. Move in Butch's Rathole Service and drill 26" hole to 40' and set 20" conductor pipe. Drill rat hole and mouse hole for Patriot Rig #1.

4-5-2012 to 4-7-2012

Wait on Patriot Rig #1. Rigging down now.

4-8-2012

Rig down Patriot Rig #1 on Univ 5-40 #8 location and prepare rig to move. Trucks are to move rig on 4/9/2012.

4-9-2012

Move in Patriot Drilling Company Rig #1. Set in pits and outline.

4-10-2012

Set in remainder of outline, generator houses, trailer, pumps, and repair derrick A Leg spreader to match drum width of draw works to allow drilling line to spool properly.

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4-11-2012

Day #1

Current Operation: Drill 17 1/2" Surface Hole with PDC bit and full returns
Depth: 192'
Previous Depth: 40'
Progress: 152' in 04.00 Hrs
ROP: 38.00'/Hr
Lithology: Red Bed
Cum Rot Hrs: 04.00 Hrs

Bit #1: 17 1/2", Halliburton, FX65S, Ser #: 11883557, 9-14s, In @ 40'
Make 152' in 04.00 Hrs, ROP--38.00'/Hr, WOB--All, RPM--105

Mud: Wt.--8.4, Vis--30, PH--9.0, Chlorides--2000

Pumps: #1: 5.5" x 10" x 120 SPM, BMF-1000, GPM--350, PP-450
#2: 5.5" x 10" x 120 SPM, BMF-1000, GPM--353, Total GPM--703

BHA #1: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO
Length: 149.03' BHA #1 Hrs: 04.00 Total DC Hrs Since Insp--04.00

String Wt: Rot. Off Bottom: 28K, PU--30K, Slack Off--26K

Deviation:

OPERATIONS:

HOURS

0600--2200	Finish rigging up Patriot Rig #1, work on Master Bushings for rotary table	16.00
2200--2230	Drill 17 1/2" hole with PDC bit from 40'--79' with full returns	00.50
2230--0230	Repair flow line and 4" valve	04.00
0230--0600	Drill 17 1/2" Hole with PDC bit from 79'--192' with full returns.	03.50
		=====
Total Hours		24.00

COMMENTS:

Finish rigging up and mix spud mud. Call and notify TRRC (Judy) at 1000 Hrs, 4-10-2012 of spud and running casing and cement details, No Job # given. Spud well @ 2200 hrs, CDT, 4-10-2012. Test survey tool, Drill 17 1/2" hole from 40' to 192' with full returns.

Deliver 51 joints, 13 3/8" 54.50# J55 BTC Casing from Myco Andrews Yard via Lomac Trucking

2367.86' Threads Off, 2398.64' Threads On
Casing was VTI and drifted by Charlie's Field Service

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Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-12-2012

Day #2

Current Operation: Drill 17 1/2" Surface Hole with PDC bit and full returns
Depth: 1820'
Previous Depth: 192'
Progress: 1628' in 20.00 Hrs
ROP: 81.40'/Hr
Lithology: Red Bed / Sand
Cum Rot Hrs: 24.00 Hrs

Bit #1: 17 1/2", Halliburton, FX65S, Ser #: 11883557, 9-14s, In @ 40'
Make 1780' in 24.00 Hrs, ROP--74.16'/Hr, WOB--25K, RPM--75

Mud: Wt.--8.8, Vis--32, PH--9.0, Chlorides--2000

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--325, PP-450
#2: 5.5" x 10" x 110 SPM, BMF-1000, GPM--325, Total GPM--650

BHA #1: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #1 Hrs: 24.00 Total DC Hrs Since Insp--24.00

String Wt: Rot. Off Bottom: 87K, PU--90K, Slack Off--85K

Deviation: 0.9 Deg @ 273', 0.3 Deg @ 521', 0.6 Deg @ 767', 0.3 Deg @ 1019', 0.4 Deg @ 1269'
0.2 Deg @ 1519'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0700 Drill 17 1/2" hole with PDC bit from 192'--316' with full returns	01.00
0700--0730 Deviation Survey @ 273'--0.9 Deg, Rig Service	00.50
0730--0930 Drill 17 1/2" hole with PDC bit from 316'--564' with full returns	02.00
0930--1000 Deviation Survey @ 521'--0.3 Deg	00.50
1000--1330 Drill 17 1/2" hole with PDC bit from 564'--810' with full returns	03.50
1330--1400 Deviation Survey @ 767'--0.6 Deg	00.50
1400--1730 Drill 17 1/2" hole with PDC bit from 810'--1062' with full returns	03.50
1730--1800 Deviation Survey @ 1019'--0.3 Deg	00.50
1800--2100 Drill 17 1/2" hole with PDC bit from 1062'--1315' with full returns	03.00
2100--2130 Deviation Survey @ 1269'--0.4 Deg	00.50
2130--0130 Drill 17 1/2" hole with PDC bit from 1315'--1568" with full returns	04.00
0130--0200 Deviation Survey @ 1519'--0.2 Deg	00.50
0200--0600 Drill 17 1/2" Hole with PDC bit from 1568'--1820' with full returns.	04.00

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Total Hours

24.00

COMMENTS:

Drill 17 1/2" hole from 192' to 1820' with full returns, taking deviation surveys. No Accidents, no losses, no spills.
Deliver 51 joints, 13 3/8" 54.50# J55 BTC Casing from Myco Andrews Yard via Lomac Trucking
2367.86' Threads Off, 2398.64' Threads On, Casing was VTI and drifted by Charlie's Field Service

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Elevations: 3002' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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4-13-2012 **Day #3**
Current Operation: WOC
Depth: 1950'
Previous Depth: 1820'
Progress: 130' in 03.50 Hrs
ROP: 38.00'/Hr
Lithology: Red Bed / Sand
Cum Rot Hrs: 27.50 Hrs

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Bit #1: 17 1/2", Halliburton, FX65S, Ser #: 11883557, 9-14s, In @ 40', Out @ 1950'
Make 1910' in 27.50 Hrs, ROP--69.45'/Hr, WOB--25K, RPM--75

Mud: Wt.--9.1, Vis--36, PH--9.0, Chlorides--2000

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--325, PP-1450
#2: 5.5" x 10" x 110 SPM, BMF-1000, GPM--325, Total GPM--650

BHA #1: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #1 Hrs: 27.50 Total DC Hrs Since Insp--27.50
String Wt: Rot. Off Bottom: 87K, PU--90K, Slack Off--85K
Deviation: 0.8 Deg @ 1776"

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0630 Deviation Survey @ 1776'--0.8 Deg, Rig Service	00.50
0630--1000 Drill 17 1/2" hole with PDC bit from 1820'--1950' with full returns	03.50
1000--1100 Condition mud, pump sweep, circ 2 bottoms up, spot pill on bottom	01.00
1100--1330 TOH, rig up Bull Rogers Lay down machine & casing crew, held JSA	02.50
1330--2200 Run 42 jts, 1952.46', 13 3/8", 54.50#, J55, BTC csg, wash last 3 jts down	08.50
2200--0000 Circ. 2 bottoms up, Hold JSA with Halliburton	02.00
0000--0400 R/U Halliburton & test lines to 3000 psi, pump 20 bbls spacer, lead cement 1135 sx EconoCem "C" + 1# KolSeal (Yld--1.82 cu ft, Wt--12.9#) Tail with 500 sx Hal Cem "C" + 0.1% Halad-23 (Yld--1.33, Wt--14.8)	04.00
0400--0600 Bump plug at 0346 hrs, 4-13-2012. Circulate 385 sx to surface. WOC, Rig down and release Halliburton	02.00
	=====
Total Hours	24.00

COMMENTS:

Drill 17 1/2" hole from 1820' to 1953' with full returns, taking deviation surveys. No Accidents, No losses, No spills.
Rig up Bull Rogers lay down machine & casing crew, run 42 jts, 1952.46', 13 3/8", 54.50#, J55, BTC casing. Float Shoe at 1950', FC at 1855', wash down last 3 joints. Circulate 2 times bottoms up and cement 13 3/8" csg with 1135 sx lead and 500 sx Class "C" tail. Plug down at 0346 am 4-13-2012, Circulated 385 sx to the surface. Floats held--OK. Pump through conductor and clean out cement from conductor and flow line. WOC and prepare to cut off casing and install wellhead and nipple up BOP's. Detailed casing and cementing report to follow

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4-13-2012

13 3/8" SURFACE CASING & CEMENTING DETAILS:
UNIVERSITY 6-19 #2

Spud well @ 2200 hrs 04/10/2012 with 17 1/2" Halliburton PDC bit. Notify TRRC--Judy, Operator #8 of spud, casing and cement job. Reach TD of 17 1/2" surface hole at a depth of 1950' @ 1000 hrs, on April 12, 2012.

Run casing as follows:

Davis Lynch 13 3/8" Downjet Shoe	1.45'
2 jts, 13 3/8" 54.50# J55 BTC	91.87'
Davis Lynch 13 3/8" PDC Drillable Float Collar	1.65'
40 jts, 13 3/8", 54.50#, J-55, BTC Csg	1857.67'
	=====
<u>42 Joints Total 13 3/8" Casing Run:</u>	1952.64'

8 5/8" Float Shoe Set @	1950.00'
8 5/8" Float Collar Set @	1855.54'

Centralizers placed on every other joint from #1 to #38 on casing collars.
Tack weld the shoe and first three connections

Cement 13 3/8" Casing w/:

1135 sx EconoCem "C" + 6% Gel + 1# KolSeal
Yield--1.84 cu ft, Wt--12.9 ppg
500 Sx HalCem "C" + 0.1% Halad-23 + 1#/M KolSeal
Yield--1.33 cu ft, Wt--14.8 ppg

Halliburton
Test lines to 3000 psi.
Pump a total of 20 bbls WG-19 gel spacer.

Displace w/ 285 bbls fresh water. Circulated 385 sks cement to surface.
Plug Down at 0346 hrs, CDT, 04/13/2012. Bump plug to 1200 psi. Floats held.
WOC for 4 hrs, Cut off conductor and Install 13 3/8" 3M WSI SOW.
Test head & casing to 1000 psi. NU BOPE & prepare to test.

NOTE: RECEIVED:

Deliver 51 Jts, 13 3/8", 54.50#, J-55, BTC casing to loc from Myco Blk 8 Yard. (2398.64' Thrds On, 2367.86' Thrds Off)

NOTE: Left Over Casing on location & Returned to Myco Andrews Yard:

1 cut off joint	13 3/8" 54.50# J-55 BTC	(22.80')
9 new joints	13 3/8" 54.50# J-55 BTC	(415.13' T/on) (412.12' T/off)

2367.86' Total Casing Delivered threads off - (1952.64 Total Pipe run -3.10 Float equip) = 412.12' Threads off

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Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-14-2012

Day #4

Current Operation: Drill 11" hole with PDC bit and full returns
Depth: 2074'
Previous Depth: 1950'
Progress: 124' in 02.50 Hrs
ROP: 24.80'/Hr
Lithology: Anhydrite / Sand
Cum Rot Hrs: 30.50 Hrs

Bit #2: 11", Caprock, CR613SR, Ser #: 39237, 9-14s, In @ 1950'
Make 124' in 02.50 Hrs, ROP--59.80'/Hr, WOB--25K, RPM--65

Mud: Wt.--10.1, Vis--29, PH--10.0, Chlorides--168,000, Ca--1800

Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--300, PP-1150
#2: 5.5" x 10" x 100 SPM, BMF-1000, GPM--300, Total GPM--600

BHA #2: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #2 Hrs: 02.50 Total DC Hrs Since Insp--30.50

String Wt: Rot. Off Bottom: 87K, PU--90K, Slack Off--85K

Deviation: 0.8 Deg @ 1776'

OPERATIONS:

HOURS

0600--1200	WOC, Cut off 13 3/8" casing and weld on 13 3/8" 3M SOW head	06.00
1200--2030	Pick up and nipple up BOP's. Function test BOP, test to 1500 psi--OK	08.50
2030--0100	Pick up Bit and BHA #2, TIH and tag at 1849', Test csg to 1000# for 30 min.	04.50
0100--0330	Drill cement, plug, float, and shoe	02.50
0330--0600	Drill formation with 11" PDC bit from 1950'--2074' with full returns	02.50

Total Hours

24.00

COMMENTS:

WOC, NU BOPs, Manifold and lines, Function test BOP's and test to 300 psi Low and 1500 psi High for 30 min--OK. Make up Bit and BHA #2 and TIH. Drill out cement, plug, float, shoe track and shoe. Drill 11" hole from 1950'--2074' with full returns. Resume drilling new formation at 0330 Hrs, CDT, 4/14/2012. Nipple up went a little slower due to losing two hands to drug test. No accidents, no spills, no losses.

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Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-15-2012

Day #5

Current Operation: Drill 11" hole with PDC bit and full returns
Depth: 3407'
Previous Depth: 2074'
Progress: 1333' in 23.00 Hrs
ROP: 57.96'/Hr
Lithology: Anhydrite / Salt
Cum Rot Hrs: 53.50 Hrs

Bit #2: 11", Caprock, CR613SR, Ser #: 39237, 9-14s, In @ 1950'
Make 1457' in 25.50 Hrs, ROP--58.28'/Hr, WOB--25K, RPM--65

Mud: Wt.--10.1, Vis--29, PH--10.0, Chlorides--170,000, Ca--2400

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP-900
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #2: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #2 Hrs: 25.50 Total DC Hrs Since Insp--53.50

String Wt: Rot. Off Bottom: 87K, PU--90K, Slack Off--85K

Deviation: 0.8 Deg @ 2443', 0.2 Deg @ 2920'

OPERATIONS:

HOURS

0600--1300	Drill 11" hole with PDC bit from 2074'--2486' with full returns
1300--1330	Deviation Survey @ 2443'--0.8 Deg, BOP Drill, Rig Service
1330--2200	Drill 11" hole with PDC bit from 2486'--2963' with full returns
2200--2230	Deviation Survey @ 2920'--0.2 Deg
2230--0600	Drill 11" hole with PDC bit from 2963'--3407' with full returns

07.00
00.50
08.50
00.50
07.50

Total Hours

24.00

COMMENTS:

Drill 11" hole with PDC bit from 2074'--3407' with full returns using brine water and taking deviation surveys. No accidents, no spills, no losses. Plan to have 8 5/8" casing delivered tomorrow.

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Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-16-2012

Day #6

Current Operation: Circulate and condition hole at TD of 11" hole
Depth: 4628'
Previous Depth: 3407'
Progress: 1221' in 22.00 Hrs
ROP: 55.50'/Hr
Lithology: Anhydrite / Salt
Cum Rot Hrs: 75.50 Hrs

Bit #2: 11", Caprock, CR613SR, Ser #: 39237, 9-14s, In @ 1950'
Make 2678' in 47.50 Hrs, ROP--56.37'/Hr, WOB--25K, RPM--65

Mud: Wt.--10.1, Vis--29, PH--10.0, Chlorides--184,000, Ca--5200

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP-970
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #2: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #2 Hrs: 47.50 Total DC Hrs Since Insp--75.50

String Wt: Rot. Off Bottom: 98K, PU--100K, Slack Off--95K

Deviation: 0.3 Deg @ 3426', 0.2 Deg @ 3932', 0.3 Deg @ 4404'

OPERATIONS:

HOURS

0600--0700	Drill 11" hole with PDC bit from 3407'--3470' with full returns	01.00
0700--0730	Deviation Survey @ 3426'--0.3 Deg, BOP Drill, Rig Service	00.50
0730--1530	Drill 11" hole with PDC bit from 3470'--3976' with full returns	08.00
1530--1600	Deviation Survey @ 3932'--0.2 Deg	00.50
1600--0130	Drill 11" hole with PDC bit from 3976'--4447' with full returns	09.50
0130--0200	Deviation Survey @ 4404'--0.3 Deg	00.50
0200--0530	Drill 11" hole with PDC bit from 4447'--4628' with full returns	03.50
0530--0600	Circulate and condition hole, pump sweep	00.50

Total Hours

24.00

COMMENTS:

Drill 11" hole with PDC bit from 3407'--4628' with full returns using brine water and taking deviation surveys. Reach TD on 11" intermediate hole at 0530 hrs, CDT, 4/16/2012. Pump sweep and circulate and condition hole. Rig up Davis Fluid Calipers and run caliper--2798 cu ft. No accidents, no spills, no losses. Deliver 121 joints of 8 5/8" casing to Univ 6-19 #2 from Myco Block 8 Inventory. Details to follow

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Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-17-2012

Day #7

Current Operation: Circulate, Waiting on Halliburton to Cement 8 5/8" intermediate casing
Depth: 4628'
Previous Depth: 4628'
Progress: 000' in 00.00 Hrs
ROP: 00.00'/Hr
Lithology: Anhydrite / Dolo
Cum Rot Hrs: 75.50 Hrs

Bit #2: 11", Caprock, CR613SR, Ser #: 39237, 9-14s, In @ 1950', Out @ 4628'
Make 2678' in 47.50 Hrs, ROP--56.37'/Hr, WOB--25K, RPM--65

Mud: Wt.--10.1, Vis--29, PH--10.0, Chlorides--184,000, Ca--5200

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP-970
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #2: Bit, BS, 8" DC, IBS, Shock Sub, 3-8" DC, XO, 21--6" DC
Length: 797.51' BHA #2 Hrs: 47.50 Total DC Hrs Since Insp--75.50

String Wt: Rot. Off Bottom: 98K, PU--100K, Slack Off--95K

Deviation: 0.3 Deg @ 3426', 0.2 Deg @ 3932', 0.3 Deg @ 4404'

OPERATIONS:

HOURS

0600--0930	Circulate sweep out, circulate and condition hole	03.50
0930--1400	JSA w/ Bull Rogers, Rig up lay down machine, TOH, LD 8" BHA	04.50
1400--2100	JSA w/ Bull Rogers Casing Crew, Rig up casing tools and run a total of 113 joints, 4628', 8 5/8", 32# HCK-55 & 24# J55, Land csg at 4628'	07.00
2100--0000	Circulate 8 5/8" casing volume and 2x bottoms up	03.00
0000--0600	Wait on Halliburton for all cement to arrive to location, JSA with Halliburton	06.00

Total Hours

24.00

COMMENTS:

Circulate and condition hole. Hold JSA with Bull Rogers lay down machine. TOH and lay down BHA #2 and 8" DC's. Hold JSA with Bull Rogers casing crew, rig up crew and run 113 joints, 4628', 8 5/8" 32# HCK-55 LTC and 8 5/8" 24# J-55 STC casing. Float shoe at 4628', Float collar at 4544'. Circulate casing on bottom. Wait on Halliburton to get all cement on location. Rig down casing crew and lay down machine while circulating. Hold JSA with Halliburton. Last of the cement arrived on location at 0530 Hrs, 4-17-2012. Prepare to cement 8 5/8" casing. Detailed casing and cement report to follow after cementing.

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Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-18-2012

Day #8

Current Operation: Drill cement with PDC Bit #3 and BHA #3

Depth: 4628'

Previous Depth: 4628'

Progress: 000' in 00.00 Hrs

ROP: 00.00'/Hr

Lithology: Anhydrite / Dolo

Cum Rot Hrs: 75.50 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 4628'
Make 000' in 00.00 Hrs, ROP--00.00'/Hr, WOB--25K, RPM--65

Mud: Wt.--8.40, Vis--28, PH--10.0, Chlorides--4000, Ca--1200

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP-900
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 00.00 Total DC Hrs Since Insp--75.50

String Wt: Rot. Off Bottom: 98K, PU--100K, Slack Off--95K

Deviation: 0.3 Deg @ 3426', 0.2 Deg @ 3932', 0.3 Deg @ 4404'

OPERATIONS:

HOURS

0600--0900	Rig up Halliburton, cement 8 5/8" intermediate casing with: 1200 sx EconoCem "C" +5% KCL + 1# Phenoseal + 0.1% HR800 Yield--2.09 cu ft, Weight--12.4# 200 sx HalCem "C" + 0.1% HR-800 Yield--1.33 cu ft, Weight--14.8#, Plug down at 0927 Hrs, 4-17-2011 Circulate 67 bbls, 184 sx cement to the surface	03.00
0900--2300	WOC, ND, Set 8 5/8" csg slips in wellhead, cutoff csg, NU BOP's, Test BOP, manifold, lines, valves to 300 psi Low, 3000 psi High--OK	14.00
2300--0230	Make up Bit #3, BHA #3 and TIH, tag at 4500'	03.50
0230--0600	Drill cement, plug, float and shoe track, test casing to 1500 psi--OK	03.50

Total Hours

24.00

COMMENTS:

Rig up Halliburton and cement 8 5/8" intermediate casing with 1200 sx lead, 200 sx tail. Plug down at 0900 Hrs, CDT, 4-17-2012. Floats held and circ 184 sx cement to the surface. Run Davis Lynch lock down PDC drillable plug and float equipment. Cut off csg, NU BOP's, Test BOP, manifold, lines, valves to 300 psi low and 3000 psi high. TIH and drill cement, plug, float collar and shoe track. Test 8 5/8" csg to 1500 psi for 30 min--OK.

MYCO Industries, Inc.
Daily Drilling Report
4-17-2012

8 5/8" INTERMEDIATE CASING & CEMENTING DETAILS:
UNIVERSITY 6-19 #2

Drill out below 13 3/8" casing at 0330 Hrs, CDT, 4/14/2012 with 11" bit. Reach TD of 11" hole at a depth of 4628' on 0530 Hrs, CDT, 4/16/2012. Davis fluid caliper showed 2798 cu ft--146% washout. Notify Tx RRC of running 8 5/8" casing--no witness.

Run 8 5/8" Intermediate casing as follows:

Davis Lynch 8 5/8" Type 700 Float Shoe	1.76'
2 jts, 8 5/8" 32# HCK-55 LTC Casing	80.15'
Davis Lynch 8 5/8" Type 700 PVTS Float Collar	1.88'
64 jts, 8 5/8" 32# HCK-55 LTC Casing	2609.33'
45 jts, 8 5/8" 24# J-55 STC Casing	1851.60'
2 Jts, 8 5/8" 32# HCK-55 LTC Casing	83.65'

=====

113 Joints Total 8 5/8" Casing Run:

4628.37'

8 5/8" Float Shoe Set @
8 5/8" Float Collar Set @

4628.00'
4516.21'

Install Centralizer 20' above the float shoe, then Centralizers placed on every other joint from #1 to #38 on casing collars.
Replace Halliburton top rubber plug with Davis Lynch non rotating latch down plug.

Cement 8 5/8" Casing w/:

1200 sx EconoCem "C" + 6% Gel + 1# KolSeal + 5% KCL + 0.1% HR-800
Yield--2.09 cu ft, Wt--12.4 ppg
200 Sx HalCem "C" + 0.1% HR-800
Yield--1.33 cu ft, Wt--14.8 ppg

Halliburton Test lines to 3000 psi.
Pump a total of 20 bbls WG-19 gel spacer.

Displace w/ 277 bbls fresh water. Circulated 67 bbls, 184 sks cement to surface.
Plug Down at 0927 hrs, CDT, 04/17/2012. Bump plug to 1700 psi. Floats held.
WOC, ND BOP, Set 8 5/8" casing slips, Install "B" Section, NU BOP's
Test BOPs, head to 300 psi low and 3000 psi high, & casing to 1500 psi

NOTE: RECEIVED:

Deliver 68 Jts, 8 5/8" 32# HCK-55 LTC to loc from Myco Blk 8 Yard. (2596.24' Thrds On, 2577.79' Thrds Off)
Deliver 53 Jts, 8 5/8" 24# J-55 STC to loc from Myco Blk 8 Yard. (2398.64' Thrds On, 2367.86' Thrds Off)

NOTE: Left Over Casing & Returned to Myco Block 8 Yard:

1 cut off joint	8 5/8" 32# HCK-55 LTC	(20.80')
8 new joints	8 5/8" 24# J-55 STC w/ bad pins	(320.15' T/on) (317.28' T/off)

4945.65' Total Casing Delivered threads off - (4628.37 Total Pipe run) = 317.28' Threads off

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-19-2012

Day #9

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 5731'
Previous Depth: 4628'
Progress: 1103' in 23.00 Hrs
ROP: 47.95'/Hr
Lithology: Anhydrite / Dolo
Cum Rot Hrs: 98.50 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 4628'
Make 1103' in 23.00 Hrs, ROP--47.95'/Hr, WOB--30K, RPM--65

Mud: Wt.--8.40, Vis--28, PH--10.0, Chlorides--7500, Ca--1280

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP--1000
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 23.00 Total DC Hrs Since Insp--98.50

String Wt: Rot. Off Bottom: 125K, PU--130K, Slack Off--120K

Deviation: 0.8 Deg @ 4960', 0.1 Deg @ 5460'

OPERATIONS:

HOURS

0600--1700	Drill 7 7/8" hole with PDC bit from 4628'--5003' with full returns
1700--1730	Deviation Survey @ 4960'--0.8 Deg, BOP Drill, Rig Service
1730--0230	Drill 7 7/8" hole with PDC bit from 5003'--5511' with full returns
0230--0300	Deviation Survey @ 5460'--0.1 Deg
0300--0600	Drill 7 7/8" hole with PDC bit from 5511'--5731' with full returns

11.00
00.50
09.00
00.50
03.00

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 4628'--5731' with full returns and taking Deviation Surveys. Drill with fresh water circulating the outside reserve pit. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-20-2012 **Day #10**

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 7056'
Previous Depth: 5731'
Progress: 1325' in 22.50 Hrs
ROP: 58.89'/Hr
Lithology: Lime / Dolomite
Cum Rot Hrs: 121.00 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 4628'
Make 2428' in 45.50 Hrs, ROP--53.36'/Hr, WOB--30K, RPM--65

Mud: Wt.--8.40, Vis--28, PH--10.0, Chlorides--13000, Ca--1280

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP--1150
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--450, Total GPM--450

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 45.50 Total DC Hrs Since Insp--121.00

String Wt: Rot. Off Bottom: 153K, PU--157K, Slack Off--150K

Deviation: 0.2 Deg @ 5942', 0.5 Deg @ 6384', 0.5 Deg @ 6884'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0930 Drill 7 7/8" hole with PDC bit from 5731'--5985' with full returns	03.50
0930--1000 Deviation Survey @ 5942'--0.2 Deg, BOP Drill, Rig Service	00.50
1000--1700 Drill 7 7/8" hole with PDC bit from 5985'--6384' with full returns	07.00
1700--1730 Deviation Survey @ 6384'--0.5 Deg	00.50
1730--0330 Drill 7 7/8" hole with PDC bit from 6384'--6928' with full returns	10.00
0330--0400 Deviation Survey @ 6884'--0.5 Deg	00.50
0400--0600 Drill 7 7/8" hole with PDC bit from 6928'--7056' with full returns	02.00
	=====
Total Hours	24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 5731'--7056' with full returns and taking Deviation Surveys. Drill with fresh water circulating the outside reserve pit. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-21-2012 **Day #11**

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 8079'
Previous Depth: 7056'
Progress: 1023' in 23.00 Hrs
ROP: 44.47/Hr
Lithology: Shale / Lime
Cum Rot Hrs: 144.00 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 4628'
Make 3451' in 68.50 Hrs, ROP--50.37'/Hr, WOB--30K, RPM-65

Mud: Wt.--8.50, Vis--28, PH--8.5, Chlorides-13,000, Ca--1800

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP--1400
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--474, Total GPM--474

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 68.50 Total DC Hrs Since Insp: 144.00

String Wt: Rot. Off Bottom: 173K, PU--177K, Slack Off--167K

Deviation: 0.5 Deg @ 7394', 1.0 Deg @ 7897'

OPERATIONS:

	<u>HOURS</u>
0600--1400	08.00
1400--1430	00.50
1430--0130	11.00
0130--0200	00.50
0200--0600	04.00

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 7056'-8079' with full returns and taking Deviation Surveys. Drill with fresh water circulating the outside reserve pit. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys.

Lost driller and 3 floor hands on drug test performed yesterday (4-20-2012) that were on days off when last drug test was given on Patriot Rig #1.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-22-2012

Day #12

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 9156'
Previous Depth: 8079'
Progress: 1077' in 23.00 Hrs
ROP: 46.80/Hr
Lithology: Shale / Lime
Cum Rot Hrs: 167.00 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 4628'
Make 4528' in 91.50 Hrs, ROP--49.48'/Hr, WOB--30K, RPM-65

Mud: Wt.--8.60, Vis--28, PH--8.5, Chlorides-18,000, Ca--2600

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP--1400
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--474, Total GPM--474

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 91.50 Total DC Hrs Since Insp: 167.00

String Wt: Rot. Off Bottom: 190K, PU--192K, Slack Off--182K

Deviation: 0.9 Deg @ 8404', 0.8 Deg @ 8911'

OPERATIONS:

HOURS

0600--1200	Drill 7 7/8 hole with PDC bit from 8079'--8447' with full returns	06.00
1200--1230	Deviation Survey @ 8404'--0.9 Deg, BOP Drill, Rig Service	00.50
1230--2330	Drill 7 7/8" hole with PDC bit from 8447'--8954' with full returns	11.00
2330--0000	Deviation Survey @ 8911'--0.8 Deg	00.50
0000--0600	Drill 7 7/8" hole with PDC bit from 8954'--9156' with full returns	06.00

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 8079'--9156' with full returns and taking Deviation Surveys. Drill with fresh water circulating the outside reserve pit. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. Chlorides have been slowly increasing, however no water flow has been observed during connections or while running surveys and rig service.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-23-2012 **Day #13**

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 9517'
Previous Depth: 9156'
Progress: 361' in 12.50 Hrs
ROP: 28.88'/Hr
Lithology: 70% Shale / 30% Lime, 77 Units BGG
Cum Rot Hrs: 179.50 Hrs

Bit #3: 7 7/8", Caprock, CR613YR, Ser #: 39462, 6-14s, In @ 9462', Out @ 9462'
Make 4834' in 101.50 Hrs, ROP--47.62'/Hr, WOB--30K, RPM-65
Bit #4: 7 7/8", Caprock, CR613SR, Ser #: 39448, 6-14's, In @ 9462'
Make 55' in 2.50 Hrs, ROP--22.00'/Hr, WOB--28K, RPM--65

Mud: Wt.--8.60, Vis--28, PH--10.0, Chlorides-18,000, Ca--2600

Pumps: #1: 5.5" x 10" x 000 SPM, BMF-1000, GPM--000, PP--1400
#2: 6.5" x 10" x 110 SPM, BMF-1000, GPM--474, Total GPM--474

BHA #3: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #3 Hrs: 101.50, BHA #4 Hrs: 02.50
Total DC Hrs Since Insp: 179.50

String Wt: Rot. Off Bottom: 200K, PU--205K, Slack Off--195K
Deviation: 0.40 Deg @ 9419'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1600 Drill 7 7/8 hole with PDC bit from 9156'--9462' with full returns	10.00
1600--1630 Deviation Survey @ 9419'--0.4 Deg, BOP Drill, Rig Service	00.50
1630--2130 TOH for bit change	05.00
2130--2200 Break off Bit #3, Make up PDC bit #4, TIH with DC's and 2 stands DP	00.50
2200--0000 Hang blocks and cut 120' drilling line	02.00
0000--0300 TIH with PDC Bit #4	03.00
0300--0330 Pickup Kelly, Break circulation, wash/ream 30' to bottom	00.50
0330--0600 Drill 7 7/8" hole with PDC bit from 9462'--9517' with full returns	02.50

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 9156'--9462' with full returns and taking Deviation Surveys. TOH for bit change--no hole problems. TIH with PDC bit #4 and DC's, Cut drlg line. Continue in hole. Drill 7 7/8" hole with PDC bit #4 from 9462'--9517' with full returns. Drill with fresh water circulating the outside reserve pit. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. Chlorides have been slowly increasing, however no water flow has been observed during connections or while running surveys and rig service.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-24-2012

Day #14

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 10153'
Previous Depth: 9517'
Progress: 636' in 20.50 Hrs
ROP: 31.02'/Hr
Lithology: 70% Shale / 30% Lime
Cum Rot : 200.00 Hrs

Bit #4 7 7/8", Caprock, CR613SR, Ser #: 39448, 6-14's, In @ 9462'
Make 691' in 23.00 Hrs, ROP—30.00'/Hr, WOB--28K, RPM--65

Mud: Wt.--8.70, Vis--34, PH—10.0, Chlorides-27,000, Ca—1600, WL--16.0

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--474, PP--1500
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—474

BHA #4: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #4 Hrs: 23.00 Total DC Hrs Since Insp: 200.00

String Wt: Rot. Off Bottom: 210K, PU--210K, Slack Off--200K

Deviation: 1.5 Deg @ 9924'

OPERATIONS:

HOURS

0600--1930	Drill 7 7/8 hole with PDC bit from 9517'--9967' with full returns	13.50
1930--2000	Deviation Survey @ 9924'—1.5 Deg, BOP Drill, Rig Service	00.50
2000--2300	Drill 7 7/8 hole with PDC bit from 9967'--10051' with full returns	03.00
2300--0030	TOH for hole in DP (Chain Out 25 stands For Wash Out)	01.50
0030--0130	Replace Joint of DP & Trip In Hole	01.00
0130--0200	Pickup Kelly, Break circulation, wash/ream 30' to bottom	00.50
0200--0600	Drill 7 7/8" hole with PDC bit from 10051'--10153' with full returns	04.00

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 9517'--10051' with full returns and taking Deviation Surveys. Start Mud Up @ 9794', TOH at 10,051' for wash out--no hole problems. Change out joint of DP, TIH. Drill 7 7/8" hole with PDC bit #4 from 10051'--10153' with full returns. Drill ahead, going through steel pits after mud up. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. Chlorides have been slowly increasing, however no water flow has been observed during connections or while running surveys and rig service.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-25-2012

Day #15

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 11231'
Previous Depth: 10153'
Progress: 1078' in 22.50 Hrs
ROP: 47.91'/Hr
Lithology: 10% Chert / 90% Lime
Cum Rot : 222.50 Hrs

Bit #4 7 7/8", Caprock, CR613SR, Ser #: 39448, 6-14's, In @ 9462'
Make 1769' in 45.50 Hrs, ROP—38.87'/Hr, WOB--28K, RPM--65

Mud: Wt.--9.00, Vis--35, PH--10.0, Chlorides--32000, Ca--2000, WL--12.0cc

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--474, PP--1780
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—474

BHA #4: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #4 Hrs: 45.50 Total DC Hrs Since Insp: 222.50

String Wt: Rot Off Bottom: 214K, PU--220K, Slack Off--210K

Deviation: 1.2 Deg @ 10389', 1.0 Deg. @ 10898'

OPERATIONS:

HOURS

0600--1200	Drill 7 7/8 hole with PDC bit from 10153'--10441' with full returns
1200--1230	Deviation Survey @ 10398'--1.2 Deg, BOP Drill, Rig Service
1230--2130	Drill 7 7/8 hole with PDC bit from 10441'--10946' with full returns
2130--2230	Deviation Survey @ 10898'--1.0 Deg
2230--0600	Drill 7 7/8 hole with PDC bit from 10946'--11231' with full returns

06:00
00.50
09.00
01.00
07.50

Total Hours

24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 10153'--11231' with full returns and taking Deviation Surveys. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. Chlorides have been slowly increasing, however no water flow has been observed during connections or while running surveys and rig service.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-26-2012 **Day #16**

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 11616'
Previous Depth: 11231'
Progress: 385' in 10.50 Hrs
ROP: 36.67'/Hr
Lithology: 10% Chert / 90% Lime
Cum Rot : 233.00 Hrs

Bit #4: 7 7/8", Caprock, CR613SR, Ser #: 39448, 6-14's, In @ 9462', Out @ 11616'
Make 2154' in 56.00 Hrs, ROP—38.46'/Hr, WOB--28K, RPM--65
Bit #5: 7 7/8", CapRock, CR613YR, Ser #: 39468, 6-14's, In # 11616'
Make 000' in 00.00 Hrs, ROP--00.00'/Hr, WOB--00K, RPM--00

Mud: Wt.--9.10, Vis--38, PH--10.0, Chlorides--32000, Ca--2000, WL--8.0cc

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--474, PP--1850
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—474

BHA #4: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #4 Hrs: 56.00 Total DC Hrs Since Insp: 233.00

String Wt: Rot Off Bottom: 214K, PU--220K, Slack Off--210K

Deviation: 0.3 Deg @ 11345'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1000 Drill 7 7/8 hole with PDC bit from 11231'--11389' with full returns	04:00
1000--1030 Deviation Survey @ 11345'--0.3 Deg, BOP Drill, Rig Service	00.50
1030--1700 Drill 7 7/8 hole with PDC bit from 11389'--11616' with full returns	06.50
1700--0000 TOH for bit change, Function Test BOP	07.00
0000--0530 Make up new PDC Bit #5, TIH w/ Bit #5, Function test annular BOP on DC's	05.50
0530--0600 Wash & Ream 30' to bottom from 11586'--11616', 10' fill	00.50
=====	
Total Hours	24.00

COMMENTS:

Drill 7 7/8" hole with PDC bit from 11231'--11616' with full returns and taking Deviation Surveys. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. TOH for bit change, Bit #4 had a few chipped cutters, but was in good shape. Make up PDC bit #5 and GIH. TIH, Function test BOP and annular. Chlorides have been slowly increasing, however no water flow has been observed during connections or while running surveys and rig service.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-27-2012 **Day #17**

Current Operation: Drill 7 7/8" hole with PDC Bit and full returns
Depth: 12086'
Previous Depth: 11616'
Progress: 470' in 21.00 Hrs
ROP: 22.38'/Hr
Lithology: 10% Chert / 70% Lime / 20% Shale
Cum Rot : 254.00 Hrs

Bit #5: 7 7/8", CapRock, CR613YR, Ser #: 39468, 6-14's, In # 11616'
Make 470' in 21.00 Hrs, ROP--22.38'/Hr, WOB--27K, RPM--65

Mud: Wt.--9.10, Vis--38, PH--10.0, Chlorides--32000, Ca--2000, WL--10.0cc

Pumps: #1: 5.5" x 10" x 110 SPM, BMF-1000, GPM--400, PP--1850
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM--400

BHA #5: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #5 Hrs: 21.00 Total DC Hrs Since Insp: 254.00

String Wt: Rot Off Bottom: 225K, PU--240K, Slack Off--215K

Deviation: 1.0 Deg @ 11845'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0730 Slip & Cut 300' of drilling line, circulate with swedge	01.50
0730--0800 Wash/Ream 30' to bottom from 11586'--11616', 10' soft fill	00.50
0800--2000 Drill 7 7/8 hole with PDC bit from 11616'--11890' with full returns	12.00
2000--2100 Deviation Survey @ 11845'--1.0 Deg, BOP Drill, Rig Service	01.00
2100--0600 Drill 7 7/8 hole with PDC bit from 11890'--12086' with full returns	09.00
	=====
Total Hours	24.00

COMMENTS:

Cut drilling line while circulating through drill pipe swedge. Drill 7 7/8" hole with PDC bit from 11616'--12086' with full returns and taking Deviation Surveys. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys.

135 Joints 5.5" 20# HCP-110 LTC Delivered to location from Myco Block 8 Yard

54 Joints 5.5" 20# L80 LTC Delivered to location from Myco Block 8 Yard

117 Joints 5.5" 20# L80 LTC Delivered to location (From Susan)

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-28-2012 **Day #18**

Current Operation: Drill 7 7/8" hole with Insert Bit and full returns
Depth: 12180'
Previous Depth: 12086'
Progress: 94' in 13.00 Hrs
ROP: 7.23'/Hr
Lithology: 60% Chert / 10% Lime Stone/ 30% Shale
Cum Rot : 267.00 Hrs

Bit #5: 7 7/8", CapRock, CR613YR, Ser #: 39468, 6-14's, In # 11616', Out @ 12086'
Make 470' in 22.50 Hrs, ROP--20.80'/Hr, WOB--27K, RPM--65

Bit #6: 7 7/8", Varel, HE47MS, Ser #: 1217402, 6-18's, In # 12086'
Make 94' in 13.00 Hrs, ROP--7.23'/Hr, WOB--45K, RPM--60

Mud: Wt.--9.20, Vis--39, PH--10.0, Chlorides--30000, Ca--1860, WL--9.0cc

Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--431, PP--1600
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM--431

BHA #6: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA #5 Hrs: 22.50 BHA # 6 Hrs: 13.00
Total DC Hrs Since Insp: 267.00

String Wt: Rot Off Bottom: 230K, PU--250K, Slack Off--215K

Deviation: 1.0 Deg @ 11845'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0730 Drill 7 7/8 hole with PDC bit from 11616'--12086' with full returns	01.50
0730--1230 TOH for bit change, Function Test BOP	05.00
1230--1630 Make up new Insert Bit #6, TIH w/ Bit #6, Function test annular BOP on DC's	04.00
1630--1700 Wash & Ream 30' to bottom from 12056'--12086', 10' fill	00.50
1700--0600 Drill 7 7/8 hole with Insert bit #6 from 12086'--12180' with full returns.	13.00
=====	
Total Hours	24.00

COMMENTS:

Drill 7 7/8" Hole with PDC bit from 11616'--12086'. No accidents, No spills, No losses. Pump sweeps every 250' and before Deviation Surveys. TOH for bit change, Bit #5 had rung out. Make up Insert bit #6 and GIH. TIH, Function test BOP and annular BOP, wash/ream 7 7/8" hole with insert bit #6 from 12056--12086'. Drill 7 7/8" hole with insert bit from 12086'--12180' with full returns.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

=====
4-29-2012 **Day #19**

Current Operation: Run Electric Logs with Halliburton Energy Services Electric Line Truck
Depth: 12220'
Previous Depth: 12180'
Progress: 40' in 5.50 Hrs
ROP: 7.27'/Hr
Lithology: 70% Lime / 30% Shale
Cum Rot : 272.50 Hrs
=====

Bit #6: 7 7/8", Varel, HE47MS, Ser #: 1217402, 6-18's, In # 12086', Out @ 12220'
Make 134.0 in 18.50 Hrs, ROP—7.25'/Hr, WOB--45K, RPM--60

Mud: Wt.--9.10, Vis--39, PH--10.0, Chlorides—30000, Ca--1700, WL--8.0cc

Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--431, PP--1600
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—431

BHA #6: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA # 6 Hrs: 18.50 Total DC Hrs Since Insp: 272.50

String Wt: Rot Off Bottom: 230K, PU--250K, Slack Off--215K

Deviation: 0.8 Deg @ 12177'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1130 Drill 7 7/8 hole with PDC bit from 12086'--12220' with full returns	05.50
1130--1400 Pump Sweep, Circulate & condition mud & spot pill on bottom	02.50
1400--2130 TOH for Electric logs, Tally out of hole, Function Test BOP	07.50
2130--0600 Wait On Logging Truck, Rig Up & Log W/ Halliburton electric line	08.50
	=====
Total Hours	24.00

COMMENTS:

Drill 7 7/8" Hole with PDC bit from 12086'--12220' with full returns. TD 7 7/8" hole at 1130 Hrs, CDT, 4-28-2012. No accidents, No spills, No losses. Pump sweep and circulate out, circulate and condition mud & spot pill on bottom. Pull out of the hole for electric logs, tallying the drill pipe. Function test BOP. Wait on Halliburton, move in and rig up Halliburton Energy Services electric line truck. Pick up and make up logging tools, and GIH w/ logging tools. Loggers Reached TD of ---12211'.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

4-30-2012 **Day #20**

Current Operation: Lay down drill pipe
Depth: 12220'
Previous Depth: 12220'
Progress: 00' in 00.00 Hrs
ROP: 00.00'/Hr
Lithology: 70% Lime / 30% Shale
Cum Rot : 272.50 Hrs

Bit #6: 7 7/8", Varel, HE47MS, Ser #: 1217402, 6-18's, In # 12086', Out @ 12220'
Make 134.0 in 18.50 Hrs, ROP—7.25'/Hr, WOB--45K, RPM--60

Mud: Wt.--9.00, Vis--40, PH--9.50, Chlorides—27000, Ca--1800, WL--9.4cc

Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--431, PP--1600
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—431

BHA #6: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA # 6 Hrs: 18.50 Total DC Hrs Since Insp: 272.50

String Wt: Rot Off Bottom: 230K, PU--250K, Slack Off--215K

Deviation: 0.8 Deg @ 12177'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--1030 Run triple combo electric logs, Loggers TD--12211', rig down Halliburton WL.	04.50
1030--1500 TIH with Bit	04.50
1500--1530 Wash to bottom form 12160'--12220', 10' soft fill	00.50
1530--1800 Circulate bottoms up, sweep hole	02.50
1800--0600 Hold JSA w/ Express LD Machine, Lay down drill pipe & DC's	12.00
	=====
Total Hours	24.00

COMMENTS:

Run Triple Combo electric logs with Halliburton Energy Services electric line truck. Loggers TD--12211'. Rig down and release Halliburton electric line truck. Make up Bit #6 and TIH to bottom. Circulate and sweep hole. Hold JSA and rig up Express Lay Down Machine. POH laying down drill pipe and drill collars, No Accidents, No Spills, No losses.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

=====

5-01-2012 **Day #21**

Current Operation: Cement 5.5" production casing
Depth: 12220'
Previous Depth: 12220'
Progress: 00' in 00.00 Hrs
ROP: 00.00'/Hr
Lithology: 70% Lime / 30% Shale
Cum Rot : 272.50 Hrs

=====

Bit #6: 7 7/8", Varel, HE47MS, Ser #: 1217402, 6-18's, In # 12086', Out @ 12220'
Make 134.0 in 18.50 Hrs, ROP—7.25'/Hr, WOB--45K, RPM--60

Mud: Wt.--9.00, Vis--40, PH--9.50, Chlorides—27000, Ca--1800, WL--9.4cc

Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--431, PP--1600
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—431

BHA #6: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA # 6 Hrs: 18.50 Total DC Hrs Since Insp: 272.50

String Wt: Rot Off Bottom: 230K, PU--250K, Slack Off--215K

Deviation: 0.8 Deg @ 12177'

<u>OPERATIONS:</u>	<u>HOURS</u>
0600--0900 Lay down DP, break Kelly and finish lay down DC's	03.00
0900--1030 Slip and cut drilling line	01.50
1030--1800 Rig up Bull Rogers csg crew and run 5 ½" production casing	07.50
1800--1945 Change csg elevators and repair drlg line on drum	01.75
1945--0330 Finish running 5 ½" production casing	07.75
0330--0530 Install head, wash 30' to bottom, circulate and condition hole	02.00
0530--0600 Hold JSA, Rig up Halliburton, Cement Stage #1	00.50
	=====
Total Hours	24.00

COMMENTS:

Finish laying down drill pipe, break the Kelly and lay down remaining DC's and BHA. Hold JSA with Bull Rogers csg crew. Slip and cut drilling line. Rig up and run 5 ½" casing to 12200', having to repair csg slips and drilling line on the drum. Wash 30' to bottom. Hold JSA with Halliburton. Cement Stage #1, Detailed casing and cementing report to follow. No Accidents, No Spills, No losses.

MYCO Industries, Inc.
Daily Drilling Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
Proposed Total Depth: 12,050'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

5-02-2012

Day #22

Current Operation: Rigging Down
Depth: 12220'
Previous Depth: 12220'
Progress: 00' in 00.00 Hrs
ROP: 00.00'/Hr
Lithology: 70% Lime / 30% Shale
Cum Rot : 272.50 Hrs

Bit #6: 7 7/8", Varel, HE47MS, Ser #: 1217402, 6-18's, In # 12086', Out @ 12220'
Make 134.0 in 18.50 Hrs, ROP—7.25'/Hr, WOB--45K, RPM--60
Mud: Wt.--9.00, Vis--40, PH--9.50, Chlorides—27000, Ca--1800, WL--9.4cc
Pumps: #1: 5.5" x 10" x 100 SPM, BMF-1000, GPM--431, PP--1600
#2: 6.5" x 10" x 000 SPM, BMF-1000, GPM--000, Total GPM—431
BHA #6: Bit, BS, 6" DC, IBS, 20--6" DC
Length: 656.96' BHA # 6 Hrs: 18.50 Total DC Hrs Since Insp: 272.50
String Wt: Rot Off Bottom: 230K, PU--250K, Slack Off--215K
Deviation: 0.8 Deg @ 12177'

OPERATIONS:

HOURS

0600—1030	Cement Stage #1: Pump 200 bbl nitrified mud, 10 bbl Fresh water, 24 bbls Super flush, 10 bbls WG19 and then cement with the following Lead with 1050 sx VersaCem "H" + Additives Yield--1.55 cu ft, Wt--13.4#, Displace with 268 bbl fresh water. Plug down at 1015 Hrs with 2300 psi. Drop opening bomb, open DV tool.	04.50
1030--1330	Repair water line--bulldozer cut the line. Circ with rig pump. Circ 254 sx.	03.00
1330--1645	Cement Stage #2: Pump 10 bbl spacer, 24 bbls Super flush, 10 bbl spacer 900 sx EconoCem-MHLH + additives, Yield--2.24 cu ft, Wt--12.4# 150 sx VersaCem H + Additives, Yield--1.55 cu ft, Wt--13.4#. Displace with 157 bbl Fresh Water. Plug down at 1645 hrs, 5/1/2012. Lost circ when lead cement started to circ and never regained returns. Floats held. Bump plug with 2550 psi. Rig down Halliburton	03.25
1645--2100	ND BOP's, Set 5.5" csg slips w/ 135K, cut off casing, lay down BOP's Install tubing head, test seals to 2000 psi--OK with WSI wellhead equip.	04.25
2100--0100	Jet and clean pits. Rig Released at 0100 Hrs, CDT, 5-2-2012	04.00
0100--0600	Rig down, Start moving off location.	05.00

Total Hours

24.00

COMMENTS:

Cement Stage #1 and Stage #2. Finish cementing at 1645 HRS, 5-1-2012. Circulated 254 sx cement to the surface off of DV tool, Stage #1, and had lost returns on Stage #2 when cement started to circulate. Slow rate and did not regain circulation. Displace with fresh water and bump plug with 2500 psi. Floats held--OK. ND BOP, cut off 5.5" casing and lay down BOP's. NU tubing head and test seals to 2000 psi. Jet and clean pits. Detailed casing and cementing report to follow. **Rig Released at 0100 Hrs, 5/2/2012.**

5 1/2" Production Casing and Cementing Details:

UNIVERSITY 6-19 #2

05/01/2012

Drill out below 8 5/8" Casing shoe @ 0600 Hrs, CDT 04/18/2012
TD 7 7/8" Hole at 1130 Hrs, CDT, 04/28/2012 at a depth of 12220'

Run 5 1/2" Production Casing as follows:

Davis Lynch 5.5", Type 500 PVTs Float Shoe P-110	1.48'
2 joints 5.5", 20#, HCP-110, LT&C Casing	86.94'
Davis Lynch 5.5", Type 700 PVTs Float Collar P-110	1.26'
114 joints 5.5", 20#, HCP-110, LT&C Casing	4940.46'
Davis Lynch 5.5 Type 778-100-3 Packer stage Collar P-110	18.70'
17 Joints 5.5", 20#, HCP-110, LT&C Casing	737.80'
144 Joints 5.5", 20#, L80, LT&C Casing	6360.56'
2 Joints 5.5", 20#, HCP-110, LTC Casing	88.22'
	=====
Total 279 joints 5.5" Casing Run	12235.42'

5.5" Float Shoe	1.26'	Set @	12220.00'
5.5" Float Collar	1.40'	Set @	12130.32'
5.5" Packer Stage Tool	18.70'	Set @	7002.85'

Place Centralizers 10' above shoe, 20' below float collar, then on every third joint for 29 centralizers. Place one centralizer above and below packer stage tool & DV tool.

Test fluid and N2 lines to 6000 psi.

Cement: 5.5" Casing w/: Halliburton

Stage #1:

10 Bbls fresh water spacer, 1000 gallons Super Flush 102, N2 in 200 bbls mud, followed with:
1050 Sx VersaCem "H" + 0.75% LAP-1, + 0.25% D-Air + 0.4% CFR-3 + 0.1% Super CBL + 1#
KolSeal + 0.1% HR-601 + 0.1% HR-12 Yield---1.54 cu ft, Weight---13.4#/gal

Displace w/ 268 bbls fresh water. Bump plug w/ 2300 psi @ 1015 hrs CDT 05/01/2012 and check floats. (OK)
Drop bomb and inflate packer stage tool with 300, 500, 750, & 1000 psi. Open tool with 1500 psi.
Circulated 254 sx of cement off of the DV tool from Stage #1.

Stage #2:

Pump 10 bbl Fresh Water Spacer, 1000 gallons Super Flush 102, 10 bbl gel, 10 bbl FW, followed by the following:
900 sx EconoCem "H" + 3% KCL + 0.2% HR-800
Yield--2.24 cu ft, Wt--12.4#/gal
150 sx VersaCem "H" + 0.75% LAP-1 + 0.4% CFR-3 + 1.0# Kol-Seal + 0.25# D-Air + 0.3% HR-800
Yield--1.54 cu ft, Wt--13.4#/gal

Wash up pump, drop plug. Displace w/ 155 bbls fresh water. Bump plug w/ 2550 psi @ 1645 hrs, CDT, 05/01/2012 and check float-(OK) Floats Held good. Circulated 15 sx cement to the surface, then lost returns. Pump remaining 105 bbls displacement with no returns, but had 1250 psi lift pressure.

Notified:

TRRC--notified by telephone of TD, Running 5.5" casing and would be circulating cement. No witness. Land 5.5", Cement 5.5" casing, ND BOP's and cut casing. Set slips with 210k, NU tubing head, and install blank flange.

Rig Released at 0100 hrs, CDT, 05/02/2011.

Delivered to University 5-40 #8 location:

306 Joints 5.5" 20# HCP110 LTC and 5.5" 20# L80 LTC Casing from Myco Block 8 Yard via Lomac Trucking:

Threads On--13568.28'

Threads Off--13463.22'

135 Joints 5.5" 20# HCP 110 LTC

Threads On--5811.60 Threads Off--5765.20

54 Joints 5.5" 20# L80 LTC from Myco Block 8 Yard

Threads On--2529.81 Threads Off--2511.25

117 Joints 5.5" 20# L80 LTC (New Delivered to rig from Susan)

Threads On--5226.87 Threads Off--5186.77

Total Casing Run in the University 5-40 #5 Well:

279 Joints 5.5" 20# HCP110 LTC Casing: 12337.58' Threads On, 12235.42' Threads Off
(includes float equipment of 21.44')

RETURNED TO MYCO BLOCK 8 YARD:

27 Joints of 5.5" 20# L80 LTC: 1237.08' Threads On, 1227.80' Threads off
Cutoff Joint 5.5" 20# HCP-110 LTC: 21.44'

Float Shoe: 1.26

Float Collar: 1.48

Pkr/Stg Tool: 18.80

=====

Float Equip: 21.44

Total Pipe Delivered with threads off: 13463.22'

Total Pipe Delivered back to Block 8: 1249.24'

=====

Total Casing Run: 12213.98'

Plus Float Equip: 21.44'

=====

Total Casing + Float Equipment: 12235.42' KB

RIG RELEASED AT 0100 HRS, CDT, 5-1-2012.

END OF REPORT

MYCO Industries, Inc.
Daily Completion Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

5-16-2012

Drive to location. Hold safety meeting. Move in Butch's Rat Hole anchor truck and set 4--1.25" anchors with markers & pull test each one to 15k. Move in & set MYCO rig mat #001. Move in & set pipe racks. Unload 400 joints of new 2 7/8" 6.5# L-80 EUE tubing onto racks via Lomac Trucking from MYCO Block 8 pipe yard. Move in WRH power swivel & unload 6 – 3 ½ drill collars. Move in Kanex Well Service work over rig. Prep to rig up & run bit & collars in the AM. Shut down for night.

5-17-2012

Drive to location. Hold safety meeting. Rig up Kanex Well Service work over rig. Move in & set WRH reverse pump & steel pit and load with 80 bbls PW. Nipple down B1 flange & nipple up 5K BOP. Remove thread protectors & tally top row of tubing. Make up new 4 5/8" Varel skirted rock bit, 6-- 3 ½" DC, XO & pickup 2 7/8" 6.5# L-80 EUE tubing from rack using 2.44 drift thru each joint. Tag with 15' out on joint #218 @ 7155', drill mud & wiper plug down to DV tool @ 7185' with 15' out of joint #219. Circulate the hole clean, shut well in & shut down for night. Prep to drill DV Tool in the AM.

5-18-2012

Drive to location. Hold safety meeting. Pick up power swivel & pressure test well to 2000# psi for 15 min, test—ok. Bleed pressure down, break circulation and drill thru DV tool. Circulate hole clean, lay down power swivel and test well down tbg to 2000# psi for 15 min, test—OK. Continue picking up 2 7/8" tubing off pipe racks using 2.44 drift thru each joint. Tag up with 375 joints in @ 12131', pick up 2.5 Bowen power swivel, drill down 10' and tag float collar @ 12141' with joint #376 with 20' out. Drill thru float collar & 50' of shoe track. New PBTD is now at 12191' with 377 joints of 2 7/8" 6.5# L-80 tubing. Pick up 5' & circulate well clean. Pressure test well to 2000# test—OK. Lay down power swivel. Nipple down stripper head & POOH with 150 stands of 2 7/8" tubing. Shut well in & shut down for night. Prep to finish POOH in the AM. Start to move in frac tanks from 5-40 #8 location for frac date 6/4, 6/5, 6/6/2012 with Cudd Energy Services.

5-19-2012

Drive to location. Hold safety meeting. Continue POOH with 77 joints 2 7/8" 6.5# L-80 tubing, XO & lay down 6--3 ½ Drill Collars. Make up 4 5/8" Varel skirted rock bit & casing scraper and run back in hole with 226 joints to 7185' and run stand up & down several passes thru DV tool depth to clean out. Continue in hole to 12,150' with a total of 350 joints of 2 7/8" 6.5# L-80 tubing. Clean out WRH steel pit & release WRH rental equipment. Shut well in & shut down till Monday. Continue moving in frac tanks from the 5-40 #8 location.

5-20-2012

Shut down for Sunday.

MYCO Industries, Inc.
Daily Completion Report

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1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBSD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

5-21-2012

Drive to location. Hold safety meeting. Continue going in hole with 2 7/8" tbg. Tag new PBSD with joint #383 with 7' out @ 12192'. Lay down 1 jt & pickup 14' of 2 7/8" subs with the EOT located @ 12182'. Move in & rig up Rising Star, pressure test lines to 3000#, break circulation, start xylene & pump 250 gallons, start acid & pump 1000 gal 15% HCL acid @ 1BPM. Switch to water and pump 300 Bbls of 2% KCL @ 2.5 BPM after clearing tbg with xylene & acid. Rig down and release Rising Star Services. POOH with tubing, laying down tubing onto pipe racks & putting thread protectors back on tbg. Lay down 110 joints 2 7/8" 6.5# L-80 tubing. Shut well in & shut down for night. Continue to finish moving in frac tanks from the 5-40 #8 location and will start filling up with water in the AM. Will finish laying down tubing in the am, then run CBL log. Secure well, SION.

5-22-2012

Drive to location. Hold safety meeting. Finish POOH with 273 joints 2 7/8" 6.5# L80 tubing, lay down on pipe racks, break off casing scraper & 4 5/8" bit, put protectors back on tubing. Shut well in & prep to rig up Allied Wire Line truck in the AM to run GR/CCL/CBL log. Hook up water lines to frac tanks & start filling up with fresh water from Block 6 frac pit. All of the frac tanks & acid tanks are in place & hooked up ready to be filled with water.

5-23-2012

Drive to location. Hold safety meeting. Wait on Allied Wire line truck. Move in Lomac trucking fork lift & move 399-- 2 7/8" joints & pipe racks to edge of location. Move in Allied Wire Line electric line truck & rig up. Go in hole with gamma ray, gauge ring and junk basket with 4.625" OD gauge ring. Hang up gauge ring @ 7160--7220'. Rig up Salazar pump truck & load casing with 26 bbls fresh water & pressure up to 2500 psi, surge well until tools came free. Pull out of the hole with GR/Junk basket and re-head rope socket. Go back in the hole with a 4.50" gauge ring and set down at 7190' by wire line depth. Make several attempts and could go past 7190'. POOH, lay down tools and rig down Allied Wire Line & release until obstruction is removed. Prepare to run back in the hole with 4 5/8" bit, casing scraper, and string mill in the AM on 2 7/8" tubing.

5-24-2012

Drive to location. Hold safety meeting. Move in Lomac Trucking fork lift & spot pipe racks & stack 250 joints of 2 7/8" tubing. Remove thread protectors & tally tubing. Make up 2--3 1/2" x 6' drill collars + 4 3/4" string mill + XO. Pick up tubing from pipe racks & drift each joint with 2.44" drift. Tag up with joint #226 with 24' out @ 7189' with tubing tally. Pickup tubing swivel & rotate tubing with tubing tongs until the 4 3/4" string mill went past tight spot several times down to 7213'. Hook up Salazar pump truck & circulate 130 barrels of 2% KCL @ 3 BPM. Rig down Salazar pump truck & release. Break off tubing swivel & lay down 226 joints 2 7/8" 6.5# L-80 tubing + 4 3/4" string mill + 2- 3 1/2" DC + XO. Prep to rig up Allied wire Line truck & run GR/CCL/CBL log in the AM. Shut well in & shut down for night.

MYCO Industries, Inc.
Daily Completion Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

5-25-2012

Drive to location. Hold safety meeting. Move in and rig up Allied Wire Line truck, make up lubricator & RIH with 4.625" gauge ring, junk basket and gamma ray tool. Top of DV tool was located at @ 7181', go down to 12182'. POOH and lay down tools. Make up and RIH with CBL/GR/CCL tool to new PBTD @ 12182'. Correlate GR/CCL/CBL log to Halliburton open hole logs dated April 29, 2012. Run repeat pass from 12,182' up to 11955' with no pressure. Hook up Salazar pump truck to the 5.5" casing and pressure up to 1000 psi. Run main logging pass from 12182' up to 4350' which is 200' above cement, top of cement at 4550' by CBL which is 78' up inside the 8 5/8" casing. Good cement bond to 4550'. POOH with logging tools. Rig down Salazar pump truck & release. Rig down & release Allied Wire Line truck, nipple down BOP & release. Flange up B1 flange on the well head, and shut well in. Rig down Kanex Well Service & park the rig on the edge of location. Move in & set 3 MICO gas buster steel pits via Lomac trucking. Continue filling up frac tanks with water. Put 200 barrels of fresh water in each of the 3 acid tanks & ready for acid. Shut down till Tuesday. Shut down for the Memorial Day Weekend and Holiday.

5-26-2012 thru 5-30-2012

Shut down for the weekend and Memorial Day Weekend. Continue to fill tanks with fresh water from frac pit.

5-31-2012

Drive to location. Hold safety meeting. Move in WSI Wellhead, Nipple down B1 flange. Install 5.5" frac sleeve. Nipple up 7 1/16" 5M x 5 1/8" 10M crossover spool, flow cross with 2--2 1/16" 10M side valves, 1--5 1/8" 10M manual opening frac valve, 1--5 1/8" 10M hydraulic opening frac valve, 5 1/8" 10M frac header with 4-1002 4" frac connections and 5.5" HP wire line adaptor. Rig up platform with ladder around frac stack. Pressure test frac assembly to 8,500 psi for 15 minutes w/ chart recorder- Tested OK. Hook up accumulator to hydraulic frac valve & test valve to open & close. Rig down and release WSI.

6-1-2012

Move in Cudd Energy Services sand bins and conveyor. Spot in proper location.

6-2-2012

Fill sand kings with frac sand. Confirm sand placement in sand bins.

6-3-2012

Fill acid tanks with raw acid into fresh water for 15% HCL strength. Prepare to MIRU on Monday, 6/4/2012 for frac.

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API Number: 42-003-43442
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Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

6-4-2012

Drive to location. Move in and rig up Allied Wire line services electric line and crane truck and 5k lubricator with grease injection system. Make up and go in the hole with 3 1/8" casing guns and perforate Stage 1-- Mississippi-- 11,990'--12,012' with 42 holes on .42" EHD, 60 deg phasing. Pull out of hole with guns. Inspect guns, all fired. Move in and rig up Cudd energy services frac equipment for 12 stage frac. Perform QC on gel loadings and XL breakers and breaker times. Inventory the total water and sand quantities. Hold pre job safety meeting with Cudd energy and all personnel on location. Test lines to 10,000 psi. Set pressure kick outs at 8000 psi maximum pressure and test. Start water transfer pumps and commence frac via 5.5" 20# L-80 LTC casing as follows:

Stage #1: Mississippian 11,990'-12,012' 42 Holes 0.42" EHD 60 Degree Phasing

Break down the perforations at 6,163 psi. Establish injection rate and switch to 15% HCL acid.

Treatment pumped as follows:

- 840 gallons 9# treated water breakdown perforations
- 2,478 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel Pre-Pad
- 9,996 gallons 9# linear gel Pad
- 9,980 gallons 9# linear gel carrying 4,990 lbs 40/70 white sand ½ ppg
- 4,998 gallons 9# linear gel sweep
- 10,045 gallons 9# linear gel carrying 10,045 lbs 40/70 white sand 1.0 ppg
- 15,120 gallons B Frac 20 Pad
- 4,413 gallons B Frac 20 carrying 4,413 lbs 1.0# 30/60 Carbo ISP sand
- 4,964 gallons B Frac 20 carrying 9,929 lbs 2.0# 30/60 Carbo ISP sand
- 5,176 gallons B Frac 20 carrying 15,528 lbs 3.0# 30/60 Carbo ISP sand
- 5,739 gallons B Frac 20 carrying 22,958 lbs 4.0# 30/60 Carbo ISP sand
- 1,974 gallons 15% HCL acid spot
- 1,890 gallons 9# linear gel flush
- Average Rate—27.4 Bpm
- Average pressure—7,002 psi
- Maximum pressure—8,476 psi
- ISDP- 7,425 psi
- Total sand this stage- 15,035 lbs 40/70 White sand, 52,828 lbs 30/60 Carbo ISP **Total load this stage—115,290 gallons—2,745 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Had to cut sand short and did not pump any 20/40 Carbobond sand. Had sharp increase in pressure once 3 ppg sand was in perforations. Switched to acid and attempted to get acid across stage #2 perforations. Well screened out before acid was on perms. Opened well to pit and let well flow back acid any sand that was left in casing. Well cleaned up after 2 ½ hours of flowing. Rig up electric line and GIH w/ 3 1/8" slick guns and Magnum CBP for stage #2. **Set CBP at 11,942'** Pressure test plug to 4500 psi. No leak off. Pull up and perforate stage #2. Pull out of hole and inspect guns. All fired.

MYCO Industries, Inc.
Daily Completion Report

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1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBSD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-4-2012-Continued:

Stage #2: Atoka 11,804'-11,918' 40 Holes 0.42" EHD 60 Degree Phasing

Break down the perforations at 6226 psi. Establish injection rate and switch to 15% HCL acid.
Treatment pumped as follows:

- 1,092 gallons 9# treated water breakdown perforations
- 2,982 gallons 15% HCL acid spearhead
- 10,122 gallons 9# linear gel Pre-Pad
- 7,518 gallons 9# linear gel Pad
- 9,980 gallons 9# linear gel carrying 4,990 lbs 40/70 white sand ½ ppg
- 4,830 gallons 9# linear gel sweep
- 15,108 gallons 9# linear gel carrying 15,108 lbs 40/70 white sand 1.0 ppg
- 9,996 gallons B Frac 20 Pad
- 11,257 gallons B Frac 20 carrying 11,257 lbs 1.0# 30/60 Carbo ISP sand
- 5,668 gallons B Frac 20 carrying 11,336 lbs 2.0# 30/60 Carbo ISP sand
- 6,498 gallons B Frac 20 carrying 19,495 lbs 3.0# 30/60 Carbo ISP sand
- 7,055 gallons B Frac 20 carrying 22,822 lbs 4.0# 30/60 Carbo ISP sand
- 6,288 gallons B Frac 20 carrying 25,441 lbs 4.0# 20/40 Carbo bond sand
- 1,974 gallons 15% HCL acid spot
- 9,282 gallons 9# linear gel flush
- Average Rate—65 Bpm
- Average pressure—5,799 psi
- Maximum pressure—7,899 psi
- ISDP- 4,625 psi
- Total sand this stage- 20,099 lbs 40/70 White sand, 64,910 lbs 30/60 Carbo ISP sand, 25,441 lbs 20/40 Carbobond sand. **Total load this stage—122,766 gallons—2,923 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Spot acid of 1974 gallons 15% HCL was included in the flush to bottom perforations of stage #3. Had to lay down lubricator and crane due to severe thunder storm. Will perforate a.m 6-5-2012. Secure well and shut down for night.

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Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

6-5-2012

Rig up electric line and GIH w/ 3 1/8" slick guns and Magnum CBP for stage #3. **Set CBP at 11,788'**, Pressure test plug to 4500 psi with No leak off. Pull up and perforate stage #3. Pull out of hole and inspect guns. Guns were full of acid from perforating. All shots fired.

Stage #3: Atoka 11,674'-11,771' 40 Holes 0.42" EHD 60 Degree Phasing

Attempt to break down Atoka perforations. Pressure up on perforations to 7,500 psi 4 times. Bled well down and ran into with hard rate 3 times. Perforations would not break. Surged well and ran into perfs hard 3 times. Pressure up on perforations to 8,200 psi 3 times and perforations would not break. No leak off of any kind. Decision was made to skip zone and move onto stage #4 Atoka perfs. Rig up 3 1/8" slick guns and GIH to perforate stage #4 perfs.

Stage #4: Atoka 11,300'-11,437' 40 Holes 0.42" EHD 60 Degree Phasing

Break down the perforations at 4,426 psi. Establish injection rate and switch to 15% HCL acid.

Treatment pumped as follows:

- 1,100 gallons 9# treated water breakdown perforations
- 5,460 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel Pre-Pad
- 9,492 gallons 9# linear gel Pad
- 9,980 gallons 9# linear gel carrying 4,990 lbs 40/70 white sand ½ ppg
- 5,376 gallons 9# linear gel sweep
- 9,965 gallons 9# linear gel carrying 9,965 lbs 40/70 white sand 1.0 ppg
- 9,996 gallons B Frac 20 Pad
- 10,973 gallons B Frac 20 carrying 10,973 lbs 1.0# 30/60 Carbo ISP sand
- 10,476 gallons B Frac 20 carrying 20,952 lbs 2.0# 30/60 Carbo ISP sand
- 9,974 gallons B Frac 20 carrying 29,923 lbs 3.0# 30/60 Carbo ISP sand
- 10,053 gallons B Frac 20 carrying 40,214 lbs 4.0# 30/60 Carbo ISP sand
- 7,311 gallons B Frac 20 carrying 29,138 lbs 4.0# 20/40 Carbo bond sand
- 2,814 gallons 15% HCL acid spot
- 8,022 gallons 9# linear gel flush
- Average Rate—64 Bpm
- Average pressure—5,309 psi
- Maximum pressure—7,362 psi
- ISDP- 5,334 psi

Total sand this stage- 14,955 lbs 40/70 White sand, 102,062 lbs 30/60 Carbo ISP sand, 29,138 lbs 20/40 Carbobond sand. **Total load this stage—124,446 gallons—2,963 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Spot acid of 2,814 gallons 15% HCL was included in the flush to bottom perforations of stage #5. Rig up electric line and GIH w/ 3 1/8" slick guns and Magnum CBP for stage #5. **Set CBP at 11,252'**, Pressure test CBP plug to 4500 psi with no leak off. Pull up and perforate stage #5. Pull out of hole and inspect guns. Guns were loaded with acid from perforating. All shots fired.

MYCO Industries, Inc.
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Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBSD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-5-2012-Continued

Stage 5: Strawn 11,048'-11,210' 40 holes .42" EHD 60 Deg phasing

Break down perforations at 3,741 psi. Establish injection rate and switch to 15% HCL acid.
Pump as follows:

- 1,596 gallons 9# treated water Establish injection rate
- 2,310 gallons 15% HCL acid spearhead
- 5,586 gallons 9# linear gel Pre-Pad
- 7,308 gallons 9# linear gel Pad
- 9,764 gallons 9# linear gel carrying 9,764 lbs 40/70 white sand ½ ppg
- 4,200 gallons 9# linear gel sweep
- 14,988 gallons 9# linear gel carrying 14,988 lbs 40/70 white sand 1.0 ppg
- 7,812 gallons B Frac 20 Pad
- 11,988 gallons B Frac 20 carrying 5,999 lbs 30/60 Carbo ISP sand ½ ppg
- 11,985 gallons B Frac 20 carrying 11,985 lbs 30/60 Carbo ISP sand 1.0 ppg
- 10,894 gallons B Frac 20 carrying 21,968 lbs 30/60 Carbo ISP sand 2.0 ppg
- 11,988 gallons B Frac 20 carrying 29,971 lbs 30/60 Carbo ISP sand 2.5 ppg
- 11,561 gallons B Frac 20 carrying 34,683 lbs 30/60 Carbo ISP sand 3.0 ppg
- 10,767 gallons B Frac 20 carrying 32,474 lbs 20/40 Carbo Bond sand 3.0 ppg
- 2,520 gallons 15% HCL acid spot
- 7,938 gallons 9# linear gel flush
- Average Rate—59.2 Bpm
- Average pressure—5,307 psi
- Maximum pressure—6,816 psi
- ISDP-4,658 psi

Total sand this stage-24,752 lbs 40/70 White sand, 104,606 lbs 30/60 Carbo ISP sand, 32,474 lbs 20/40 Carbo Bond sand. **Total load this stage – 145,614 gallons—3,467 Bbls.** Sand was Pumped in concentrations from ½ ppg to 3.0 ppg. Spot acid of 2,520 gallons was included into flush to bottom perforations on stage 6. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 11,025'.** Pressure test CBP to 4500 psi. No leak off. Pull up and perforate stage 6. Pull out of hole and inspect guns, all fired.

MYCO Industries, Inc.
Daily Completion Report

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Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-5-2012-Continued

Stage 6: Upr/Wlfcmp-Wlfcmp LS 10,858'-11,002' 40 holes .42" EHD 60 Deg phasing

Break down perforations at 5,410 psi. Establish injection rate and switch to 15% HCL acid.

Pump as follows:

- 1,470 gallons 9# treated water Establish injection rate
- 2,604 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel Pre-Pad
- 4,368 gallons 9# linear gel Pad
- 9,980 gallons 9# linear gel carrying 4,990 lbs 40/70 white sand ½ ppg
- 3,906 gallons 9# linear gel sweep
- 14,988 gallons 9# linear gel carrying 14,988 lbs 40/70 white sand 1.0 ppg
- 4,200 gallons B Frac 20 Pad
- 9,978 gallons B Frac 20 carrying 4,989 lbs 30/60 Carbo ISP sand ½ ppg
- 10,001 gallons B Frac 20 carrying 10,001 lbs 30/60 Carbo ISP sand 1.0 ppg
- 10,007 gallons B Frac 20 carrying 20,014 lbs 30/60 Carbo ISP sand 2.0 ppg
- 9,798 gallons B Frac 20 carrying 24,496 lbs 30/60 Carbo ISP sand 2.5 ppg
- 6,422 gallons B Frac 20 carrying 19,268 lbs 30/60 Carbo ISP sand 3.0 ppg
- 11,901 gallons B Frac 20 carrying 35,500 lbs 20/40 Carbo Bond sand 3.0 ppg
- 1,974 gallons 15% HCL acid spot
- 7,728 gallons 9# linear gel flush
- Average Rate—63.1 Bpm
- Average pressure—5,462 psi
- Maximum pressure—7,016 psi
- ISDP-4,227 psi

Total sand this stage-19,978 lbs 40/70 White sand, 78,768 lbs 30/60 Carbo ISP sand, 35,000 lbs 20/40 Carbo Bond sand. **Total load this stage – 125,790 gallons—2,995 Bbls.** Sand was Pumped in concentrations from ½ ppg to 3.0 ppg. Spot acid of 1,974 gallons was included into flush to bottom perforations on stage 7. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 10,535'.** Pressure test CBP to 4500 psi. No leak off. Pull up and perforate stage 7. Pull out of hole and inspect guns, all fired.

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Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-5-2012-Continued

Stage 7: Wolfcamp-Shale 10,124'-10,206' 40 holes .42" EHD 60 Deg phasing

Break down perforations at 2,924 psi. Establish injection rate and switch to 15% HCL acid.
Pump as follows:

- 1,596 gallons 9# treated water Establish injection rate
- 2,520 gallons 15% HCL acid spearhead
- 5,208 gallons 9# linear gel Pre-Pad
- 5,544 gallons 9# linear gel Pad
- 8,049 gallons 9# linear gel carrying 4,025 lbs 40/70 white sand ½ ppg
- 5,250 gallons 9# linear gel sweep
- 10,005 gallons 9# linear gel carrying 10,005 lbs 40/70 white sand 1.0 ppg
- 5,964 gallons B Frac 20 Pad
- 11,009 gallons B Frac 20 carrying 5,504 lbs 30/60 Carbo ISP sand ½ ppg
- 10,042 gallons B Frac 20 carrying 10,042 lbs 30/60 Carbo ISP sand 1.0 ppg
- 8,091 gallons B Frac 20 carrying 16,183 lbs 30/60 Carbo ISP sand 2.0 ppg
- 7,492 gallons B Frac 20 carrying 18,732 lbs 30/60 Carbo ISP sand 2.5 ppg
- 4,987 gallons B Frac 20 carrying 19,961 lbs 30/60 Carbo ISP sand 3.0 ppg
- 20,288 gallons B Frac 20 carrying 60,820 lbs 20/40 Carbo Bond sand 3.0 ppg
- 1,974 gallons 15% HCL acid spot
- 7,602 gallons 9# linear gel flush
- Average Rate—67 Bpm
- Average pressure—4,733 psi
- Maximum pressure—6,415 psi
- ISDP-2,927 psi

Total sand this stage-14,030 lbs 40/70 White sand, 70,422 lbs 30/60 Carbo ISP sand, 60,820 lbs 20/40 Carbo Bond sand. **Total load this stage – 126,336 gallons—3,008 Bbls.** Sand was Pumped in concentrations from ½ ppg to 3.0 ppg. Spot acid of 1,974 gallons was included into flush to bottom perforations on stage 8. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 10,082'.** Pressure test CBP to 4500 psi. No leak off. Pull up and perforate stage 8. Pull out of hole and inspect guns, all fired.

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API Number: 42-003-43442
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Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-5-2012-Continued

Stage 8: Wolfcamp 9,926'-10,058' 40 holes .42" EHD 60 Deg phasing

Break down perforations at 6,861 psi. Establish injection rate and displace acid spot with 75 barrels 9# linear gel. Secure well, shut down for night and will resume frac operations 6-6-2012 a.m.

6-6-2012

Stage 8: Wolfcamp 9,926'-10,058' 40 holes .42" EHD 60 Deg phasing

- 1,152 gallons 9# treated water Establish injection rate
- 2,520 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel Pre-Pad
- 3,948 gallons 9# linear gel Pad
- 12,264 gallons 9# linear gel carrying 5,996 lbs 40/70 white sand ½ ppg
- 4,620 gallons 9# linear gel sweep
- 13,893 gallons 9# linear gel carrying 13,893 lbs 40/70 white sand 1.0 ppg
- 5,460 gallons B Frac 20 Pad
- 9,978 gallons B Frac 20 carrying 4,989 lbs 30/60 Carbo ISP sand ½ ppg
- 10,001 gallons B Frac 20 carrying 10,001 lbs 30/60 Carbo ISP sand 1.0 ppg
- 9,499 gallons B Frac 20 carrying 18,998 lbs 30/60 Carbo ISP sand 2.0 ppg
- 9,260 gallons B Frac 20 carrying 23,131 lbs 30/60 Carbo ISP sand 2.5 ppg
- 12,770 gallons B Frac 20 carrying 38,310 lbs 30/60 Carbo ISP sand 3.0 ppg
- 8,689 gallons B Frac 20 carrying 26,007 lbs 20/40 Carbo Bond sand 3.0 ppg
- 1,974 gallons 15% HCL acid spot
- 7,434 gallons 9# linear gel flush
- Average Rate—62.7 Bpm
- Average pressure—4,658 psi
- Maximum pressure—5,888 psi
- ISDP-2,310 psi

Total sand this stage-19,889 lbs 40/70 White sand, 95,429 lbs 30/60 Carbo ISP sand, 26,007 lbs 20/40 Carbo Bond sand. **Total load this stage – 130,326 gallons—3,103 Bbls.** Sand was Pumped in concentrations from ½ ppg to 3.0 ppg. Spot acid of 1,974 gallons was included into flush to bottom perforations on stage 9. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 9,900'.** Pressure test CBP to 4500 psi. No leak off. Pull up and perforate stage 9. Pull out of hole and inspect guns, all fired.

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API Number: 42-003-43442
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Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-6-2012-Continued

Stage 9: Dean 9,688'-9,874' 40 holes .42" EHD 60 Deg phasing

Break down perforations at 2,924 psi. Establish injection rate and switch to 15% HCL acid.
Pump as follows:

- 1,680 gallons 9# treated water breakdown perforations
- 2,520 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel Pre-Pad
- 4,578 gallons 9# linear gel Pad
- 6,037 gallons 9# linear gel carrying 3018 lbs 40/70 white sand ½ ppg
- 3,570 gallons 9# linear gel sweep
- 10,005 gallons 9# linear gel carrying 10,005 lbs 40/70 white sand 1.0 ppg
- 5,712 gallons B Frac 20 Pad
- 9,070 gallons B Frac 20 Carrying 9,070 lbs 1.0# 20/40 White sand
- 9,147 gallons B Frac 20 carrying 18,244 lbs 2.0# 20/40 White sand
- 13,214 gallons B Frac 20 carrying 40,237 lbs 3.0# 20/40 White sand
- 4,423 gallons B Frac 20 carrying 17,694 lbs 4.0# 20/40 White sand
- 4,525 gallons B Frac 20 carrying 18,042 lbs 4.0# 20/40 Super LC sand(W/Activator)
- 1,985 gallons 15% HCL acid spot
- 7,266 gallons 9# linear gel flush
- Average Rate—67 Bpm
- Average pressure—3,767 psi
- Maximum pressure—4,929 psi
- ISDP-2,217 psi

Total sand this stage-13,023 lbs 40/70 White sand, 85,245 lbs 20/40 White sand, 18,042 lbs 20/40 Super LC sand. **Total load this stage – 105420 gallons—2,384 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Spot acid of 1,985 gallons was included into flush to bottom perforations on stage 10. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 9,652'.** Pressure test CBP to 4500 psi with No leak off. Pull up and perforate stage 10.

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API Number: 42-003-43442
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Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-6-2012-Continued

Stage 10: Lwr/Sprayberry (Lwr Sec.) 9,540'-9,616' 52 holes .42" EHD 60 Deg phasing

Break down perforations at 3,156 psi. Establish injection rate and switch to 15% HCL acid.

Pump as follows:

- 1,680 gallons 9# treated water breakdown perforations
- 3,360 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel pad
- 8,484 gallons B Frac 20 Pad
- 9,000 gallons B Frac 20 Carrying 9,000 lbs 1.0# 20/40 White sand
- 9,012 gallons B Frac 20 carrying 18,025 lbs 2.0# 20/40 White sand
- 7,285 gallons B Frac 20 carrying 21,897 lbs 3.0# 20/40 White sand
- 12,057 gallons B Frac 20 carrying 48,228 lbs 4.0# 20/40 White sand
- 7,919 gallons B Frac 20 carrying 31,685 lbs 4.0# 20/40 Super LC sand(W/Activator)
- 3,360 gallons 15% HCL acid spot
- 6,258 gallons 9# linear gel flush
- Average Rate—59 Bpm
- Average pressure—3,300 psi
- Maximum pressure—4,002 psi
- ISDP-2,689 psi

Total sand this stage- 97,150 lbs 20/40 White sand, 31,685 lbs 20/40 Super LC sand. **Total load this stage – 83,538 gallons—1,989 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Spot acid of 3,360 gallons was included into flush to bottom perforations on stage 11. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 9,392'** Pressure test CBP to 4500 psi with No leak off. Pull up and perforate stage 11.

MYCO Industries, Inc.
Daily Completion Report

University 6-19 #2
1650' FSL & 1650' FEL
Section 19, Block 6, University Lands Survey
Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-6-2012-Continued

Stage 11: Lwr/Sprayberry (Upr Sec.) 9,060'-9,266' 52 holes .42" EHD 60 Deg phasing

Break down perforations at 1,640 psi. Establish injection rate and switch to 15% HCL acid.

Pump as follows:

- 1,596 gallons 9# treated water breakdown perforations
- 3,360 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel pad
- 7,350 gallons B Frac 20 Pad
- 11,693 gallons B Frac 20 Carrying 11,693 lbs 1.0# 20/40 White sand
- 10,014 gallons B Frac 20 carrying 20,028 lbs 2.0# 20/40 White sand
- 9,985 gallons B Frac 20 carrying 29,956 lbs 3.0# 20/40 White sand
- 8,180 gallons B Frac 20 carrying 32,721 lbs 4.0# 20/40 White sand
- 8,838 gallons B Frac 20 carrying 35,155 lbs 4.0# 20/40 Super LC sand(W/Activator)
- 2,520 gallons 15% HCL acid spot
- 5,880 gallons 9# linear gel flush
- Average Rate—61 Bpm
- Average pressure—2,201 psi
- Maximum pressure—3,268 psi
- ISDP-956 psi

Total sand this stage- 94,398 lbs 20/40 White sand, 35,155 lbs 20/40 Super LC sand. **Total load this stage – 85,722 gallons—2,041 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Spot acid of 2,520 gallons was included into flush to bottom perforations on stage 12. Rig up electric line with 3 1/8" slick guns and Magnum CBP. **Set CBP at 8,985'** Pressure test CBP to 4500 psi with No leak off. Pull up and perforate stage 12.

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Andrews County, Texas
Patriot Drilling Company

Landman: Hannah Palomin

Geol: Jim Schlueter

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Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-6-2012-Continued

Stage 12: Upper Sprayberry 8,556'-8,910' 52 holes .42" EHD 60 Deg phasing

Break down perforations at 2,084 psi. Establish injection rate and switch to 15% HCL acid.

Pump as follows:

- 1,806 gallons 9# treated water breakdown perforations
- 6,090 gallons 15% HCL acid spearhead
- 4,998 gallons 9# linear gel pad
- 5,460 gallons B Frac 20 Pad
- 11,693 gallons B Frac 20 Carrying 11,693 lbs 1.0# 20/40 White sand
- 10,014 gallons B Frac 20 carrying 20,028 lbs 2.0# 20/40 White sand
- 9,985 gallons B Frac 20 carrying 29,956 lbs 3.0# 20/40 White sand
- 5,548 gallons B Frac 20 carrying 22,193 lbs 4.0# 20/40 White sand
- 13,257 gallons B Frac 20 carrying 53,005 lbs 4.0# 20/40 Super LC sand(W/Activator)
- 7,938 gallons 9# linear gel flush
- Average Rate—59.3 Bpm
- Average pressure—1,804 psi
- Maximum pressure—2,594 psi
- ISDP-882 psi

Total sand this stage- 83,870 lbs 20/40 White sand, 53,005 lbs 20/40 Super LC sand. **Total load this stage – 86,142 gallons—2,051 Bbls.** Sand was pumped in concentrations from ½ ppg to 4.0 ppg. Rig down and release Cudd Energy services frac equipment and Allied wire line service. Secure well and let resin coated sand cure, prepare to drill out plugs.

Total Sand

- 40/70 White-141,671 lbs
- 30/60 Carbo ISP-654,270 lbs
- 20/40 Carbo Bond-226,919 lbs
- 20/40 White-275,418 lbs
- 20/40 Super LC-119,845 lbs
- **Total Sand-1,418,123 lbs**

Total Gallons pumped-**1,225,098 gals**

Total Load---**29,169 bbls** load water to Recover

MYCO Industries, Inc.
Daily Completion Report

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Andrews County, Texas
Patriot Drilling Company
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

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6-7-2012 & 6-8-2012 Starting 0600--0600 hrs.

Move in and rig up Pro Petro 2" coil tubing unit, 4 5/8" Varel rock bit, 2 7/8" motor. Connect tools to 2" Coil tubing. Surface test coil and motor functions. Pull test on connector. Start in the hole at 1500 hrs to drill out CBP's. TIH and tag plug #1 at 8982' by CT depth. Drill CBP in 12 minutes. Circ while GIH w/ CT and tag CBP #2 at 9390' by CT measurement. Drill out CBP in 15 minutes and had strong flow after drilling plug. Circulate up large pieces of plugs and some frac sand. Continue in the hole and drill up each plug to PBTD of 12189' by CT measurement. Had no problems drilling plugs out and circulate bottoms up at PBTD at 12189'. Pump indicator dye and then pump sweep. POH with 2" coil tubing at 0230 hrs 6-8-2012 and turn well over to flow back. Rig down and release Pro Petro 2" coil tubing unit and tools.

6-9-2012

Flow back 1880 bbls load water in the past 24 hours on 24/64" choke with 520 psi making 107 bbls load water per hour.

27,289 BLWTR

6-10-2012

Flow back 2095 bbls load water in the past 24 hours on 30/64" choke with 345 psi making 87 bbls load water per hour.

25,194 BLWTR

6-11-2012

Flow back 2175 bbls load water in the past 24 hours on 48/64" choke with 70 psi making 90 bbls load water per hour with a slight skim of oil on samples.

23,019 BLWTR

6-12-2012

Flow back 918 bbls load water in the past 24 hours on open 48/64" choke with 50 psi making 40 bbls load water per hour with trace of oil in samples. Release Sam flow back.

22,101 BLWTR

6-13-2012

Flow back 387 bbls load water in the past 24 hours on open 48/64" choke with 45 psi making 31 bbls load water per hour. Flow during the day while roustabouts are around to watch it and working on tank battery.

21,714 BLWTR

MYCO Industries, Inc.
Daily Completion Report

University 6-19 #2
1650' FSL & 1650' FEL
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Andrews County, Texas
Kanex Well Service Rig #1
Landman: Hannah Palomin

Geol: Jim Schlueter

API Number: 42-003-43442
TD: 12,220', PBTD--12,191'
Formation: Sprayberry (Trend)
Elevations: 3003' GR, 3021' KB
Rig #1: KB Elevation: 18'
Engineer: Nelson Muncy

6-14-2012

Move in MYCO rig mat # 001. Move in Kanex well service and rig up. Prep to run production in the AM. Secure well and shut down for night.

6-15-2012

Drive to location. Hold safety meeting. Well open and flowing with 50 psi on casing. Hook up Salazar pump truck & pump 40 barrels of 10# brine down casing to kill well. Nipple down WSI frac valves, mud cross, frac sleeve & platform & release. Nipple up 5K BOP, drop 8 corrosion sticks down well, 1 stick every 10 minutes. Move in pipe racks & unload 399 joints tubing from corner of location to MYCO Pipe racks via Lomac trucking. Remove thread protectors & tally tubing and pick up tubing off of racks & run 2.44 drift on each joint. RIH with bull plug + 4 mud joints + 4' stainless perforated sub W/ sand screen + SN + 18 jts + TAC + 130 joints of 2 7/8" 6.5# L-80 EUE tubing. Leave well open on 24/64" choke to production facility & shut down for night. Prep to finish running production tubing. Shut down for weekend.

6-18-2012

Drive to location. Hold safety meeting. Casing had 80 psi open & bleed down to pit. Hook up Salazar pump truck and pump 40 barrels 10# brine down casing and 30 barrels down tubing to kill well. Continue picking up tubing from pipe racks, remove thread protectors, tally tubing and run 2.44 drift in each joint.

RIH with 2 7/8" 6.5# L-80 EUE Tubing as follows.

KB Correction:	18.00
266 joints 2 7/8" 6.5# L-80 EUE Tbg	8457.65
2 7/8"x5.5" 50-k Carbide Tipped TAC	2.68
18 Joints 2 7/8" 6.5# L-80 tbg	571.67
2 7/8" mechanical hold down seat nipple	.85
2'x 2 7/8" Pup sub	2.13
2 7/8" stainless perforated sub w/ sand screen	4.20
4 Joints 2 7/8" 6.5# L-80 EUE tbg (mud joints)	127.55
2 7/8" bull plug	.44

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Total Tubing Length

9185.17

Tubing Anchor	8478.33
Mechanical Hold Down SN	9082.65
End of Tubing	9185.65
Two joints 1.25" x 20' extension tube +1.25" sand screen below MHDSN	

Continued.....

MYCO Industries, Inc.
Daily Completion Report

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6-18-2012 Continued

Hook up Salazar pump truck and pump 30 barrels 10 # brine down casing. Nipple down BOP and set tubing anchor with 14,000 # tension, nipple up new B-2P flange. Wait on well head connections, nipple down 2" wing valve on casing side and nipple up ball valves. Move in Lomac trucking and move 111 joints and pipe racks to edge of location. Unload K bars, 1", 7/8" and 3/4" Cameron rods and spot near well head. Prep to run pump and rods in the AM. Secure well and shut down for night.

6-19-2012

Drive to location. Hold safety meeting. Remove thread protectors off of rods, surface test pump. RIH with 2 1/2" x 1.75" x 24' RHBM brass / Ni-Carb pump + 3/4" back off tool + 5--1.5" Sinker bars, Shut down for 2 hours till winds calmed down. RIH with rods using rod lube on every break and torque card on every 30 rods & every change in rod size. Run 128--3/4" Cameron HS rods, 125--7/8" Cameron rods + 60--1" Cameron rods + 1 1/2" x 26' PR w/ 1 3/4" x 16' PRL w/ new stuffing box & rod BOP. Shut well in & shut down for night.

6-20-2012

Drive to location, hold safety meeting. Lay down polish rod and continue running rods using rod lube and Cameron torque card.

Rod Details Top to Bottom

1—1 1/2" x 26' PR w/1 3/4" x 16" PRL
1—6' x 1" pony sub
1—8'x1" pony sub
100—1" Cameron Rods
125—7/8" Cameron Rods
128—3/4" Cameron Rods
5—1 1/2 Sinker Bars
1—2.5" x 1.75" x 24' RHBM-Mechanical Hold Down Pump (Brass NiCarb)

Install new Stuffing Box, Rod BOP, seat pump & hook up Salazar pump truck & load tubing with 12 barrels of PW and pressure up to 500 psi bleed off & long stroke pump 4-strokes to 500 psi, install pumping unit head, good pump action, Rig down Kanex well service. Clean location, move in Snelson pumping unit services and try to align pumping unit, Move Kanex rig #1 over to University 5-40 #3 location. Move in sweat construction backhoe and dig out cellar to fix conductor pipe.

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6-29-2012

Turned on to production. 0-BO, 509-load water, 12-mcf. **21205 BLWTR.**

6-30-2012

0-BO, 488-load water, 13-mcf. **20717 BLWTR.**

7-1-2012

0-BO, 415-load water, 17-mcf. **20302 BLWTR.**

7-2-2012

21-BO, 404-load water, 17-mcf. **19898 BLWTR.**

7-3-2012

18-BO, 333-load water, 12-mcf. **19565 BLWTR.**

7-4-2012

16-BO, 388-load water, 14-mcf. **19177 BLWTR.**

7-5-2012

15-BO, 299-load water, 0-mcf. **18878 BLWTR.**

7-6-2012

14-BO, 256-load water, 0-mcf. Waiting for gas pipeline ROW. **18622 BLWTR.**

7-7-2012

12-BO, 266-load water, 0-mcf. Waiting for gas pipeline ROW. **18356 BLWTR.**

7-8-2012

12-BO, 255-load water, 0-mcf. Waiting for gas pipeline ROW. **18101 BLWTR.**

7-9-2012

12-BO, 262-load water, 0-mcf. Waiting for gas pipeline ROW. **17839 BLWTR.**

7-10-2012

20-BO, 241-load water, 0-mcf. Waiting for gas pipeline ROW. **17598 BLWTR.**

7-11-2012

30-BO, 269-load water, 0-mcf. Waiting for gas pipeline ROW. **17329 BLWTR.**

7-12-2012

35-BO, 234-load water, 0-mcf. Waiting for gas pipeline ROW. **17095 BLWTR.**

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7-13-2012

44-BO, 239-load water, 0-mcf. Waiting for gas pipeline ROW. **16856 BLWTR.**

7-14-2012

47-BO, 255-load water, 0-mcf. Waiting for gas pipeline ROW. **16601 BLWTR.**

7-15-2012

55-BO, 266-load water, 0-mcf. Waiting for gas pipeline ROW. **16335 BLWTR.**

7-16-2012

44-BO, 260-load water, 0-mcf. Waiting for gas pipeline ROW. **16075 BLWTR.**

7-17-2012

52-BO, 248-load water, 0-mcf. Waiting for gas pipeline ROW. **15827 BLWTR.**

7-18-2012

58-BO, 243-load water, 0-mcf. Waiting for gas pipeline ROW. **15584 BLWTR.**

7-19-2012

55-BO, 208-load water, 0-mcf. Waiting for gas pipeline ROW. **15376 BLWTR.**

7-20-2012

48-BO, 217-load water, 0-mcf. Waiting for gas pipeline ROW. **15159 BLWTR.**

7-21-2012

47-BO, 194-load water, 0-mcf. Waiting for gas pipeline ROW. **14965 BLWTR.**

7-22-2012

55-BO, 195-load water, 0-mcf. Waiting for gas pipeline ROW. **14770 BLWTR.**

7-23-2012

53-BO, 182-load water, 0-mcf. Waiting for gas pipeline ROW. **14588 BLWTR.**

7-24-2012

55-BO, 189-load water, 0-mcf. Waiting for gas pipeline ROW. **14399 BLWTR.**

7-25-2012

58-BO, 176-load water, 0-mcf. Waiting for gas pipeline ROW. **14223 BLWTR.**

7-26-2012

61-BO, 186-load water, 0-mcf. Waiting for gas pipeline ROW. **14037 BLWTR.**

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7-27-2012

63-BO, 113-load water, 0-mcf. Waiting for gas pipeline ROW. **13924 BLWTR.**

7-28-2012

55-BO, 177-load water, 0-mcf. Waiting for gas pipeline ROW. **13747 BLWTR.**

7-29-2012

61-BO, 188-load water, 0-mcf. Waiting for gas pipeline ROW. **13559 BLWTR.**

7-30-2012

58-BO, 159-load water, 0-mcf. Waiting for gas pipeline ROW. **13400 BLWTR.**

7-31-2012

80-BO, 170-load water, 0-mcf. Waiting for gas pipeline ROW. **13230 BLWTR.**

8-1-2012

101-BO, 176-load water, 0-mcf. Waiting for gas pipeline ROW. **13054 BLWTR.** W-2 to be filed with TRRC. **FINAL REPORT.**