Magnum Producing, LP
University 9A -2 CR
Upton County, Texas

09-20-13 Start to lay poly pipe from water wells to frac pong (pond on University 2W location using Big D Equipment).
Daily Cost $ 3,000 Cum Cost $ 3,000
09-21-13 Continue to finish installing poly pipe & booster pumps to frac pond & turn on water wells.
Daily Cost $ 4,000 Cum Cost $ 7,000
09-22-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 11,000
09-23-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 15,000
09-24-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 19,000
09-25-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 23,000
09-26-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 27,000
09-28-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 31,000
09-29-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 35,000
09-30-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 39,000
10-01-13 Continue to fill frac pond.
Daily Cost $ 4,000 Cum Cost $ 43,000
10-02-13 Found water wells down.
Daily Cost $ 1,000 Cum Cost $ 44,000
10-03-13 Worked on water wells getting 1 running & will have 2nd running again in the morning.
Daily Cost $ 3,000 Cum Cost $ 47,000
10-04-13 Start setting frac tanks. Made repairs to 2nd water well. MI & RU Halliburton Wire Line truck. RIH and ran CCL, GR, & CBL from 10,900' – 3,000', correlated log to Halliburton open hole log, & Capitan CBL on 7" casing dated 8-29-13, estimated TOC @ 3,206'.
Daily Cost $ 11,000 Cum Cost $ 58,000
10-05-13 Drove to lease, found both water wells pumping OK. Drove out water lines, found hole in 2nd wells line. Notified Big D Services to make repairs.
Daily Costs $ 4,000 Cum Cost $ 62,000
10-06-13 Drove to lease, found both water wells pumping OK.
Daily Cost $ 4,000 Cum Cost $ 66,000
10-07-13 Drove to lease, found both water wells pumping OK.
Daily Cost $ 4,000 Cum Cost $ 70,000
10-08-13 PU was late getting to location due to being involved in a minor traffic accident. MI & RU PU. Place tubing on racks. Strap tubing, clean treads and prep to test in the hole in the morning. Continued filling frac pond.
Daily Cost $ 7,000 Cum Cost $ 77,000

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10-09-13 NU BOP. RU AAA Tubing Testers, PU 4 ½" bit and scraper and test (7,000 psig) 2 3/8" tubing in the hole. We tested a total of 337 jnts, found 2 bad jnts, 335 jnts in the hole = 10,921'. Continued filling frac pit. SI & SDFD.
Daily Cost $ 10,000 Cum Cost $ 87,000
10-10-13 PUH to 10,420'. RU AST acid pump, and spot 500 gals 10 acetic acid across 1st stage perf zone. RD & MO AST. POOH & LD 2 3/8" tubing. ND BOP. Continued filling frac pit, SDFD.
Daily Cost $ 10,000 Cum Cost $ 97,000
10-11-13 RD & MO PU. Found both water wells pumping OK.
Daily Cost $ 5,000 Cum Cost $ 102,000
10-12-13 Drove to lease, checked water lines and frac pit, found both water wells pumping OK.
Daily Cost $ 4,000 Cum Cost $ 106,000
10-13-13 Drove to lease, checked water lines and frac pit, found both water wells pumping OK.
Daily Cost $ 4,000 Cum Cost $ 110,000
10-14-13 Drove to lease, checked water lines and frac pit, found both water wells pumping OK.
Daily Cost $ 4,000 Cum Cost $ 114,000
10-15-13 Moved tubing and pipe racks away from WH. Found location to wet to start moving on Halliburton frac equipment. Continued filling frac pit.
Daily Cost $ 5,000 Cum Cost $ 119,000
10-16-13 NU frac stack. Found location again to wet to MI equipment. Continued filling frac pit.
Daily Cost $ 6,000 Cum Cost $ 125,000
10-17-13 MI & start RU Halliburton frac equipment. Test casing and frac stack to 8,000 psig OK. SDFD.
Daily Cost $ 10,000 Cum Cost $ 135,000
10-18-13 RU Halliburton Wire Line Truck, RIH with CCL, GR & perf gun, perforate 10,338' – 10,343', 10,380' – 10,385' & 10,420' – 10,425' with 3spf each, total of 45 shots. The sand transports were sent to the wrong location (University 2W #1), waited on sand, and started first stage @ 1:30 PM. **Frac first stage** (Atoka). Treatment actually pumped consisted of: Formation broke @ 2,595 psig, 17,352 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #2), 9,993 gals of 23# water frac G, 114,587 gals of 23# Hybor G carrying 1209.27 100*lb of premium brown 30/50. Max pressure = 6,487 psig, average pressure = 5,754 psig, max rate – 69.1 bpm, average rate = 57.1 bpm. ISIP = 2,497 psig, FG = .68 psi/ft**. LWTR = 144,932 gals**. **Second stage**, RIH with wire line and set flow through plug @ 10,150', perf 10,102' – 10,107', 10,044' – 10,049', & 9,998' – 10,003', 3spf for a total of 45 shots. Frac Strawn formation. Treatment actually pumped consisted of: Formation broke @ 3,729 psig, 15,645 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #3), 10,673 gals of 20# water frac G, 121,488 gals of 20# Hybor G carrying 1137.55 100*lb of premium brown 30/50. Max pressure = 7,685 psig, average pressure = 6,048 psig, max rate – 60.9 bpm, average rate = 58.5 bpm. ISIP = 3,164 psig, FG = .75 psi/ft**. LWTR = 153,389 gals.** RIH with wire line, set flow through plug @ 9,820', perf 9,730' – 9,735', 9,676' – 9,681', 9,632' – 9,637', with 3spf for a total of 45 shots. SI & SDFD.
Daily Costs $ 250,000 Cum Costs $ 379,000

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10-19-13 **Third stage**, Wolfcamp-E formation. Treatment actually pumped consisted of: Formation broke @ 3,275 psig, 18,226 gals of treated water, 4000 gals of 15% HCL acid (1,000 on spot for stage #4), 10,135 gals of 20# water frac G, 109,413 gals of 20# Hybor G carrying 1169.63 100*lb of premium brown 30/50. Max pressure = 7,755 psig, average pressure = 6,042 psig, max rate – 60.9 bpm, average rate = 57.5 bpm. ISIP = 3,275 psig, FG = .78 psi/ft**. LWTR = 141,774 gals.** RIH with wire line, set flow through plug @ 9,530', perf 9,450' – 9,455', 9,392' – 9,397', 9,340' – 9,345', with 3spf for a total of 45 shots. **Fourth stage**, Wolfcamp-D formation. Treatment actually pumped consisted of: Formation broke @ 7,433 psig, 17,819 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #5), 10,053 gals of 20# water frac G, 108,692 gals of 20# Hybor G carrying 1043.51 100*lb of premium brown 30/50. Max pressure = 7,433 psig, average pressure = 5,666 psig, max rate – 60.9 bpm, average rate = 59.3 bpm. ISIP = 3,170 psig, FG = .77 psi/ft**. LWTR = 139,564 gals.** RIH with wire line, set flow through plug @ 9,150', perf 9,084' – 9,089', 9,024' – 9,029', 8,972' – 8,977', with 3spf for a total of 45 shots. . **Fifth stage**, Wolfcamp-C formation. Treatment actually pumped consisted of: Formation broke @ 7,782 psig, 18,077 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #6), 9,847 gals of 20# water frac G, 108,225 gals of 20# Hybor G carrying 1072.23 100*lb of premium brown 30/50. Max pressure = 7,543 psig, average pressure = 5,557 psig, max rate – 61.2 bpm, average rate = 59.9 bpm. ISIP = 2,740 psig, FG = .74 psi/ft**. LWTR = 139,149 gals.** RIH with wire line, set flow through plug @ 8,810', perf 8,728' – 8,733', 8,678' – 8,683', 8,624' – 8,629', with 3spf for a total of 45 shots. **Sixth stage**, Wolfcamp-B formation. Treatment actually pumped consisted of: Formation broke @ 3,117 psig, 16,621 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #7), 9,953 gals of 20# water frac G, 110,054 gals of 20# Hybor G carrying 1051.95 100*lb of premium brown 30/50. Max pressure = 7,089 psig, average pressure = 5,400 psig, max rate – 61.8 bpm, average rate = 61.5 bpm. ISIP = 2,664 psig, FG = .74 psi/ft**. LWTR = 139,628 gals.** RIH with wire line, set flow through plug @ 8,580', perf 8,506' – 8,511', 8,456' – 8,461', 8,406' – 8,411', with 3spf for a total of 45 shots. **Seventh stage**, Wolfcamp-A formation. Treatment actually pumped consisted of: Formation broke @ 3,117 psig, 16,513 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #8), 9,210 gals of 20# water frac G, 116,477 gals of 20# Hybor G carrying 1107.58 100*lb of premium brown 30/50. Max pressure = 7,792 psig, average pressure = 5,068 psig, max rate – 60.9 bpm, average rate = 58 bpm. ISIP = 1,634 psig, FG = ..63 psi/ft**. LWTR = 145,200 gals.** RIH with wire line, set CBP @ 8,200', perf 8,112' – 8,117', 8,054' – 8,059', 8,010' – 8,050', with 3spf for a total of 45 shots. SWI & SDFD.

Daily Cost $ 210,000 Cum Cost $ 589,000

10-20-13 SICP = 1,278 psig, **Eighth stage**, Spraberry-E formation. Treatment actually pumped consisted of: Formation broke @ 3,048 psig, 16,814 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #9), 10,005 gals of 18# water frac G, 116,410 gals of 18# Hybor G carrying 1066.15 100*lb of premium brown 20/40. Max pressure = 5,225 psig, average pressure = 4,030 psig, max rate – 65 bpm, average rate = 61.1 bpm. ISIP = 1,241 psig, FG = .59 psi/ft**. LWTR = 146,229 gals.** RIH with wire line, set flow through plug @ 7,950', perf 7,882' – 7,887', 7,834' – 7,839', 7,784' – 7,789', with 3spf for a total of 45 shots. **Ninth stage**, Spraberry-D formation. Treatment actually pumped consisted of: Formation broke @ 1,517 psig, 16,464 gals of treated water, 2500 gals of 15% HCL acid (1,000 on spot for stage #10), 10,024

gals of 18# water frac G, 114,771 gals of 18# Hybor G carrying 1149.67 100*lb of premium brown 20/40. Max pressure = 5,517 psig, average pressure = 4,186 psig, max rate – 74.5 bpm, average rate = 70.3 bpm. ISIP = 760 psig, FG = .59 psi/ft**. LWTR = 143,759 gals.** RIH with wire line, set flow through plug @ 7,710', perf 7,650' – 7,655', 7,584' – 7,589', 7,502' – 7,507', with 3spf for a total of 45 shots. **Tenth stage**, Spraberry-C formation. Treatment actually pumped consisted of: Formation broke @ 2,706 psig, 16,211 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #11), 10,189 gals of 18# water frac G, 132,407 gals of 18# Hybor G carrying 1207.89 100*lb of premium brown 20/40. Max pressure = 4,355 psig, average pressure = 3,072 psig, max rate – 70.1bpm, average rate = 69.2 bpm. ISIP = 572 psig, FG = .51 psi/ft**. LWTR = 161,807 gals.** RIH with wire line, set flow through plug @ 7,450', perf 7,366' – 7,371', 7,310' – 7,315', 7,256' – 7,261', with 3spf for a total of 45 shots. **Eleventh stage**, Spraberry-B formation. Treatment actually pumped consisted of: Formation broke @ 3,774 psig, 15,689 gals of treated water, 3000 gals of 15% HCL acid (1,000 on spot for stage #12), 13,664 gals of 18# water frac G, 111,266 gals of 18# Hybor G carrying 1117.22 100*lb of premium brown 20/40. Max pressure = 5,087 psig, average pressure = 3,327 psig, max rate – 69.7bpm, average rate = 69.3 bpm. ISIP = 636 psig, FG = .52 psi/ft**. LWTR = 143,619 gals.** RIH with wire line to set flow through plug & got plug stuck & 4,403'(acted like plug tried to set premature), worked plug up & down & pumped on it but didn't move. Discussed with Halliburton wireline about trying to pump it down, pull out of rope socket or just try to set the plug there. Decided the safest thing to do was try to set the plug & try to TOH with guns. Set plug but couldn't get off with setting tool, pulled out of rope socket (FTBP @ 4,403', top of fish is 4,372, top of rope socket is 1.44'' but fishing neck is 2.00'' O.D. & guns are 3 1/8'', shear pins are set for 5,266# X 4). RD Frac Spread & MO). **LWTR = 38,073 bbls.**

Daily Cost $ To be determined Cum Cost $ To be determined

10-21-13 RU Flow Testers. SICP = 150 psig, flowed casing down to frac tank, recovered 5 BW & well died. SI & SDFD.

Daily Cost $ 2,000

10-22-13 MI & RU Animas Well Service PU. Set pipe racks and strap tubing. ND frac stack & NU BOP. PU 3 ½" overshot with 2" grapple, RIH with 40 jnts 2 3/8" tubing, SI & SDFD.

Daily Cost $ 5,000

10-23-13 Continued RIH with tubing. Tagged and grappled fish @ 4,434'. RU flow back line, and tested BOP OK. Sheered setting tool off of FTBP, well did not flow. POOH, LD and disarmed perf guns. ND remaining frac valve, NU BOP. Prep to PU mill in the morning.

Daily Costs $ 10,000

We are waiting for Halliburton to send me a new invoice, they were charging us for all 12 stages, they are going to send us a new invoice today. We are also going to talk to them about the $ 8,300 it cost to fish guns.

10-24-13 MI & RU reverse unit. PU 3 7/8" terminator mill, RIH on tubing, tagged plug @ 4,490'. Milled on plug for about 30 minutes and swivel blew a seal. Made repairs on location. Milled through plug and lost returns. Pumped 70 bbls 2% KCL without gaining returns. RIH to

7,452 where we tagged plug #2. SI & SDFD.
Daily Cost $ 8,000

We are still waiting on new invoice, they called yesterday and said they were tearing down to setting tool to see what went wrong.

10-25-13 RU and drilled out plugs @ 7,450', 7,710' & 7,950. We pumped 160 bbls 2% KCL before we got intermittent returns to surface. Drilled out the solid plug @ 8,200' and we again lost returns. Circulated hole clean, still with partial returns, PUH to 7,000'. SI & SDFD.
Daily Cost $ 194,000 Cum Cost $ 783,000
10-26-13 Well did not flow over night. MI & RU Knight Oil Tools foam air unit. POOH and add string floats, strap back in the hole. Built air and drilled out plugs @ 8,580', 8,810', 9,150', & 9,530'. Recovered about 240 BLW while drilling. Circulated hole clean, PUH to 6,980' and left well open to flow back. Well flowed back 20 more BLW from 7:30 PM – 10:30 PM then died. **LWTR = 37,813.**
Daily Cost $ 15,000 Cum Cost $ 798,000
10-27-13 RIH built air and drilled out the last two plugs. Continued in the hole to 10,644', circulated hole clean, recovered 210 BLW while drilling. PUH to 6,995', left well open to flow back. Well did not flow over night, shut well in and released flow back hand**. LWTR = 36,603**
Daily Cost $ 10,000 Cum Cost $ 808,000
10-28-13 SDFWE
10-29-13 SICP = 600 psig, flowed well down, recovered 15 BLW with a trace of oil & gas. POOH with tubing. LD mill and subs. SI & SDFD. **LWTR = 36,588.**
Daily Cost $ 4,000 Cum Cost $ 812,000
10-30-13 SICP = 710 psig. Open well @ 8:00 AM, flowed until 11:30 AM & died. TIH with 30 jts 2 3/8" tubing & well came in again. Unload & prepare rods for running. Leave well open to tanks with flow back hand & SDFD. Well died @ 8:30 PM. Recovered approximately 25 BO & 5 BLW during the day.
Daily Cost $ 8,000 Cum Cost $ 820,000
10-31-13 Found well gassing, Killed well with 40 bbls 10# brine. Continued RIH and LD extra tubing. PU tubing assembly, RIH and set TAC. ND BOP & NU WH. PU on/off tool, pull rod and 4 sinker bars and we tagged up on something. Pull rods out, NU BOP. Unset TAC, POOH and found the 4th jnt of tubing crimped about 2' below collar (possible from back up). Replaced jnt, RIH, set TAC, ND BOP & NU WH. SI & SDFD.
Daily Cost $ 15,000 Cum Cost $ 835,000
11-01-13 PU and RIH with rod assembly, we did not tag up at the correct depth. It was learned that the crew had ran 30 more jnts of tubing then they were instructed to. POOH with rods. NU BOP, and LD extra tubing, reset TAC and ND BOP. RIH with rods, latch onto on/off tool, and space out rods. Loaded tubing and long stroked pump, pump would not pump up. SDFD.
Daily Cost $ 6,000 (plus cost of rods) Cum Cost $ 839,000
11-02-13 RU kill truck and pump down backside, but we still could not get the pump to pump. It was determined that the on/off tool was not latching on after several more attempts. POOH with rods, on/off tool appeared to be damaged. NU BOP, unseat TAC & POOH with pump, sent pump into Don Nan for inspection. Don Nan advised that the pump was full of iron sulfide and that was the reason the on/off tool would not latch. SDFD.
Daily Cost $ 4,000 Cum Cost $ 845,000

11-03-13 RIH with tubing assembly, set TAC, ND BOP. RIH with rod assembly, on/off tool would not latch at first, we pumped 40 bbls 2% KCL down backside and finally got it to latch. Long stroked pump up to 500 psig OK, spaced out rods & SDFD.
Daily Cost $ 4,000 Cum Cost $ 849,000
11-04-13 SDFWE.
11-05-13 MI & RU Weatherford pumping unit, space out rods. RU power unit. Plumb in flow line. Start unit, it would not run for more than about 1.5 minutes then shut down. Weatherford advised that there was a safety pressure switches missing. Weatherford ordered the switch. SDFD.
Daily Cost $ 110,000 Cum Cost $ 950,000
11-06-13 WO pressure switch.
11-07-13 Installed pressure switch and got pumping unit working. Well would not pump up, we pumped 20 bbls 2% KCL down tubing and got well pumping. Base plate for pumping unit started leaking. SI & SDFD.
Daily Cost $ 2,000 Cum Cost $ 952,000
11-08-13 WO Weatherford
11-09-13 MI Weatherford, RD pumping unit and tighten up base plate. RU pumping unit, start pumping unit but it would not pump up. We pressured up on tubing, and pumped 130 bbls 2% KCL down casing but we were still unable to get pump to pump. RD & LD pumping unit.
Daily Cost $ 3,000 Cum Cost $ 955,000
11-10-13 SDFWE
11-11-13 SDFWE
11-12-13 MI & spot Great Basin PU. TP = 0 psig, CP = 1,150 psig. Opened well to production, Magnum advised to let well flow, sent PU crew home @ 1:00 PM. By 7 AM well had flowed 112 BO & 210 BW, TP = 0 psig, CP = 40 psig.
Daily Cost $ 3,000 Cum Cost $ 958,000
11-13-13 Well stopped flowing, and was too windy to RU PU. SI & SDFD. Opened well @ 12:00 AM. CP = 800 psig, TP = 25 psig. Casing flowed 48 BO & 98 BW by 6:00 AM @ 250 psig on a 32/64 choke.
Daily Cost $ 1,000 Cum Cost $ 959,000
11-14-13 Continued flowing casing. RU PU, loaded tubing with 1 bbl 10# brine and long stroked pump but we were unable to get it to pump. Released on/off tool and POOH with rods. Killed casing with 10# Brine @ 2:30 PM. Well had flowed 111 BO & 158 BW. ND WH & NU BOP. Unset TAC & POOH with tubing and pump assembly. SIW. Sent pump into Don Nan, they advised that the pump was sanded up and the plunger was stuck in the pump. The Pumper opened well to production @ 3:00 AM, well flowed 33 BO & 26 BW by 7:00 AM, CP = 275 psig on a 18/64 choke.
Daily Cost $ 6,000 Cum Cost $ 965,000