001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

B. TYPE OF WELL: OIL ☑ GAS ☐ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

7. UNIT or CA AGREEMENT NAME: N/A

2. NAME OF OPERATOR: MSC EXPLORATION L. P. 16800 IMPERIAL VALLEY DR., SUITE 380

8. WELL NAME and NUMBER: STATE MSC 16-1

3. ADDRESS OF OPERATOR: CITY HOUSTON STATE TX ZIP 77060

PHONE NUMBER: (281) 931-8933

9 FIELD AND POOL, OR WILDCAT: WILDCAT

4. LOCATION OF WELL (FOOTAGES)

AT SURFACE: 1270 FNL & 800 FEL 612066Y 38.98894

AT PROPOSED PRODUCING ZONE: SAME 4316137X -109.70607

10. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E S

13. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 1 MILE N OF THOMPSON SPRINGS

11. COUNTY: GRAND

12. STATE: UTAH

14. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 800

15. NUMBER OF ACRES IN LEASE: 640

16. NUMBER OF ACRES ASSIGNED TO THIS WELL: 160

17. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): N/A

18. PROPOSED DEPTH: 7,000

19. BOND DESCRIPTION: SINGLE (to be submitted)

20. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,254 GL

21. APPROXIMATE DATE WORK WILL START: 4/25/2004

22. ESTIMATED DURATION: 6 WEEKS (to drill & complete)

23. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
10-5/8	8-5/8	J-55	28	500	CLASS G	175 SX	1.18	15.2
7-7/8	5-1/2	N-80	17	7,000	BLEND	260 SX	3.82	11.0
					50/50 POZ	300 SX	1.21	14.4

24. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER

☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☑ COMPLETE DRILLING PLAN

☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) BRIAN WOOD PHONE: (505) 466-8120 TITLE CONSULTANT FAX: (505) 466-9682

SIGNATURE Brian Wood DATE 4/11/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31401

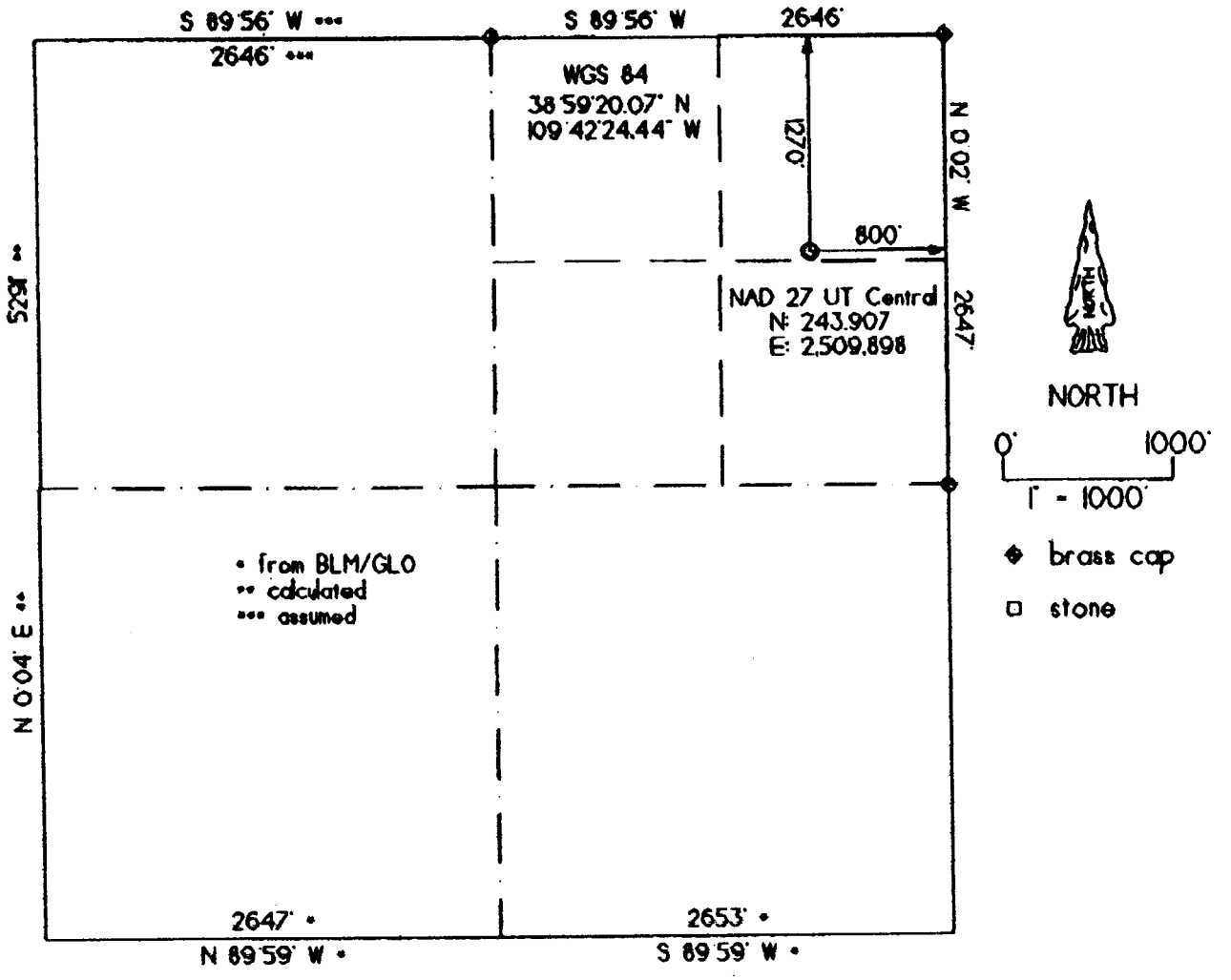
APPROVAL:

RECEIVED
APR 12 2004
DIV. OF OIL, GAS & MINING

(5/2000)

(See Instructions on Reverse Side)

Well Location Plat



Well Location Description

MSC EXPLORATION, L.P.
STATE MSC 16 - 1
1270' FNL & 800' FEL
Section 16, T.21 S., R.20 E., SLM
Grand County, UT
5254' grd. el. (from GPS)

REGISTERED LAND SURVEYOR
GERALD G. HUDDLESTON
No. 161297
STATE OF UTAH

04/06/'04

Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330

001

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- ☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
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NAME (PLEASE PRINT) BRIAN WOOD PHONE: (505) 466-8120 TITLE CONSULTANT FAX: (505) 466-9682

SIGNATURE Brian Wood DATE 4/11/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-019-31401

APPROVAL

CONFIDENTIAL

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-04-04

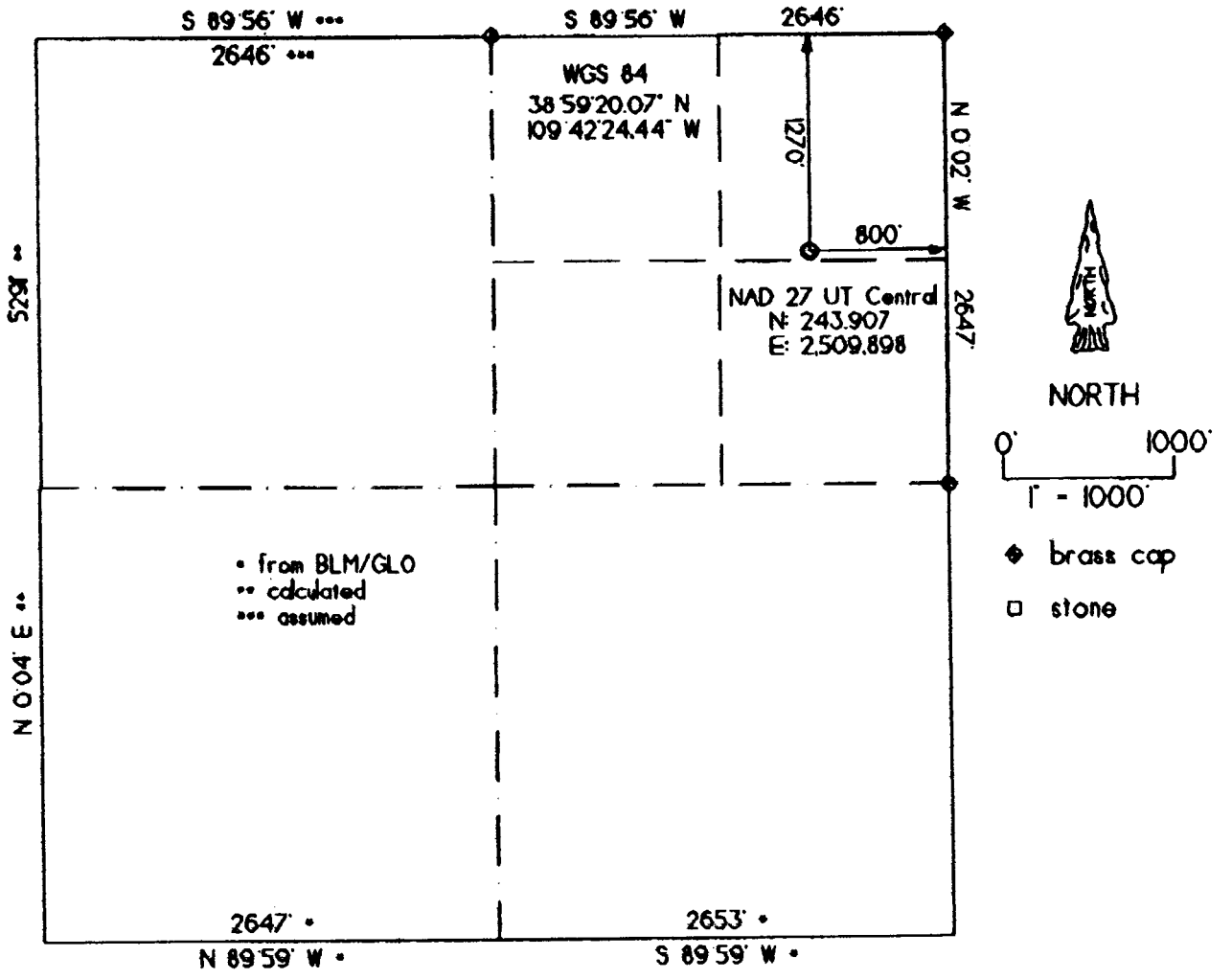
By: [signature]

(See Instructions on Reverse Side)

RECEIVED
APR 12 2004
DIV. OF OIL, GAS & MINING

(5/2000)

Well Location Plat



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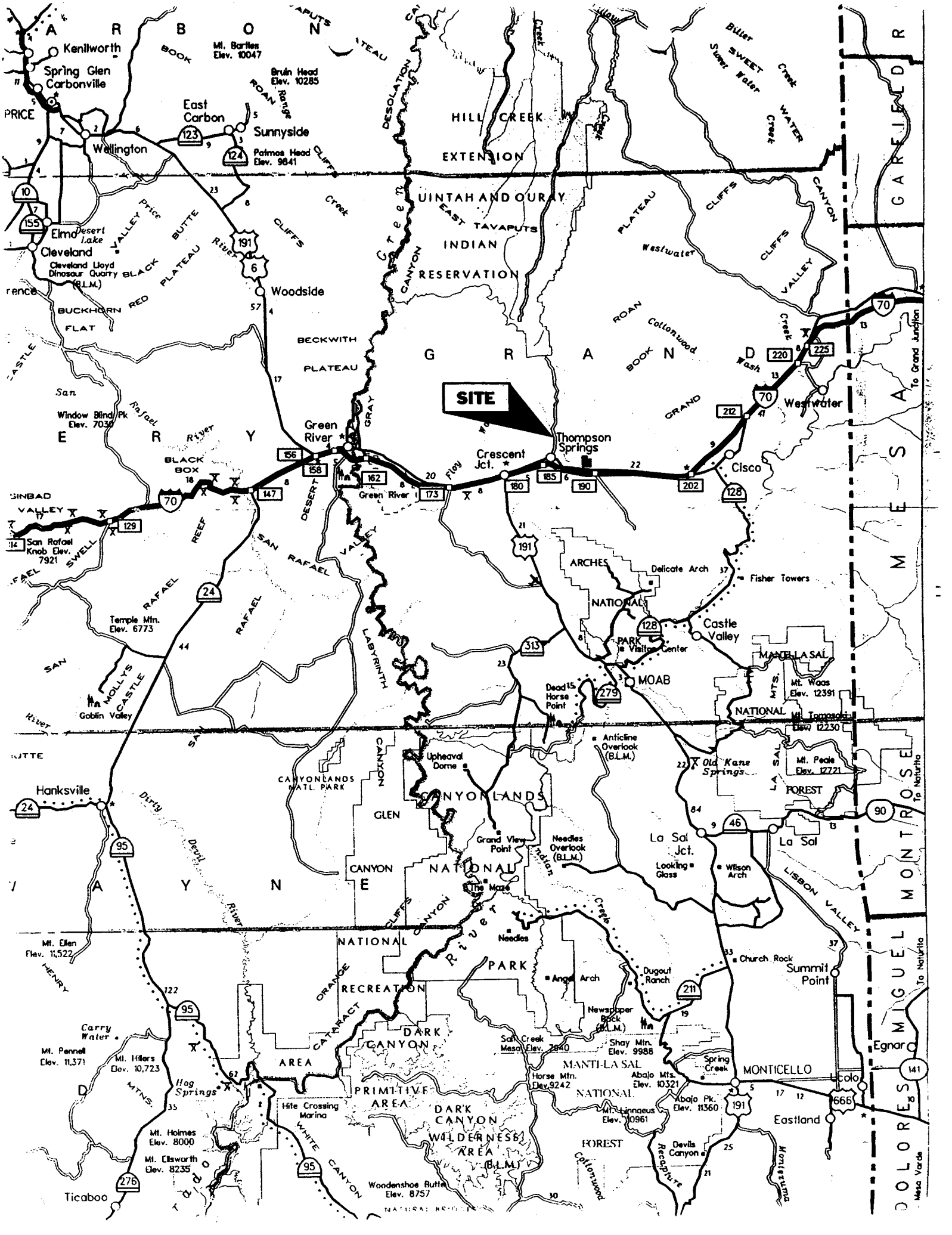
HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330


SITE
Thompson Springs
C A R B O N
Kenilworth
Spring Glen
Carbonville
PRICE
East Carbon
Sunnyside
Wellington
Mt. Bartles Elev. 10047
Bruin Head Elev. 10285
Patmos Head Elev. 9841
BOOK
ROAN
Range
CLIFFS
HILL CREEK EXTENSION
UINTAH AND OURAY
EAST TAVAPUTS
INDIAN
RESERVATION
DESOLATION
CANYON
Green
PLATEAU
CLIFFS
Bitter
SWEET
Sweet Water
Creek
WATER
CANYON
Westwater
VALLEY
Elmo
Desert Lake
Cleveland
Cleveland Lloyd Dinosaur Quarry (B.L.M.)
BLACK
RED
PLATEAU
BUTTE
Price
River
Woodside
BUCKHORN
FLAT
BECKWITH PLATEAU
G R A N D
ROAN
Cottonwood
BOOK
Wash
GRAND
Westwater
Cisco
Crescent Jct.
Green River
GRAY
San Rafael
Window Blind Pk Elev. 7030
E R Y
River
BLACK BOX
SINBAD VALLEY
San Rafael Knob Elev. 7921
SWELL
REEF
SAN RAFAEL
DESERT
VALLEY
Floy
ARCHES
Delicate Arch
NATIONAL
PARK
Visitor Center
Fisher Towers
Castle Valley
MOAB
MANTI-LA SAL
MTS.
NATIONAL
Mt. Waas Elev. 12391
Mt. Tomasaki Elev. 12230
Mt. Peale Elev. 12721
FOREST
LA SAL
Temple Mtn. Elev. 6773
SAN
MOLLYS CASTLE
Goblin Valley
River
LABYRINTH
CANYON
Dead Horse Point
Anticline Overlook (B.L.M.)
Old Kane Springs
Upheaval Dome
CANYONLANDS NATL. PARK
CANYONLANDS
GLEN
CANYON
NATIONAL
Grand View Point
Needles Overlook (B.L.M.)
Indian
Creek
The Maze
Needles
La Sal Jct.
Looking Glass
Wilson Arch
La Sal
LISBON VALLEY
Hanksville
Dirty Devil River
W A Y N E
CLIFFS
CANYON
NATIONAL
RECREATION
AREA
ORANGE
CATARACT
River
PARK
Angel Arch
Dugout Ranch
Church Rock
Summit Point
Newspaper Rock (B.L.M.)
Sal Creek Mesa Elev. 7940
Shay Mtn. Elev. 9988
Spring Creek
MONTICELLO
Egnar
Ucolo
Eastland
Mt. Ellen Elev. 11,522
HENRY
Carry Water
Mt. Pennell Elev. 11,371
Mt. Hillers Elev. 10,723
MTS.
Hog Springs
Mt. Holmes Elev. 8000
Mt. Ellsworth Elev. 8235
Hite Crossing Marina
WHITE
CANYON
DARK CANYON
PRIMITIVE AREA
DARK CANYON WILDERNESS AREA (B.L.M.)
Horse Mtn. Elev. 9242
MANTI-LA SAL
NATIONAL
FOREST
Abajo Mts. Elev. 10321
Mt. Linnaeus Elev. 10961
Abajo Pk. Elev. 11360
Devils Canyon
Recapture
Cottonwood
Montezuma
Woodenshoe Butte Elev. 8757
Ticaboo
D
NATURAL BRIDGES
GARFIELD
MESA
MONTROSE
SAN MIGUEL
DOLORES
To Grand Junction
To Naturita
To Naturita
Mesa Verde
6
191
10
155
123
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225
212
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158
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173
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185
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147
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24
191
313
279
128
46
90
95
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276
211
191
666
141

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: MSC Exploration L.P.
WELL NAME & NUMBER: State MSC 16-1
API NUMBER: 43-019-31401
LEASE: State **FIELD/UNIT:**
LOCATION: 1/4,1/4 NENE **Sec:** 16 **TWP:** 21S **RNG:** 20E 1270 FNL 800 FEL
LEGAL WELL SITING: 460 F **SEC. LINE;** 460 F **1/4,1/4 LINE;** 920 F **ANOTHER WELL.**
GPS COORD (UTM): X = 612061 E; Y = 43161410 N
SURFACE OWNER: SITLA

PARTICIPANTS

M. Jones (DOGM), Brian Wood (Permits West).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Proposed location is ~2 miles northwest of Thompson Springs, Utah. Staked location lies West of existing paved road traveling North from Thompson Springs into the Bookcliffs. Approximately 265' of new access will be built to access this well. The direct area drains to the South. Thompson Springs culinary water tanks and water distribution line are in close proximity to the proposed well, however both are on the East side of the paved road therefore should not be affected by any drilling or production activities associated with this well.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife habitat and grazing.

PROPOSED SURFACE DISTURBANCE: 200' x 285' and a 165' x 60' x 10' pit. 265 feet of new access road will be built for this well.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: None.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Production facilities will be on location and no pipeline is planned for at this time.

SOURCE OF CONSTRUCTION MATERIAL: Obtained locally and transported in.

ANCILLARY FACILITIES: None anticipated.

WASTE MANAGEMENT PLAN:

The reserve pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The fourth side will be fenced once the rig moves off the hole. The fence will be kept in good repair while the pit dries. All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities. No oil will be allowed on the reserve pit. Any oil which accumulates on the pit will be skimmed off and hauled to a state approved recycle facility. Once dry, the reserve pit contents will be buried in place. The pit will be back filled sufficiently deep so no liner is exposed.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: Dry washes.

FLORA/FAUNA: Freemont barberry, crested wheat grass and other native grasses, greasewood, shadscale, prickly pear, deer, antelope, small game, raptors and other fowl, rodents and reptiles.

SOIL TYPE AND CHARACTERISTICS: Sandy clay loam.

SURFACE FORMATION & CHARACTERISTICS:

EROSION/SEDIMENTATION/STABILITY: Stable until disturbed.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: Dugout earthen.

LINER REQUIREMENTS (Site Ranking Form attached): Liner required.

SURFACE RESTORATION/RECLAMATION PLAN

As per surface use agreement.

SURFACE AGREEMENT: As per SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Arch survey completed by Grand River Institute on 4/21/04.

OTHER OBSERVATIONS/COMMENTS

No utilities running along roadside on West side of pavement. Water line running along East side of pavement.

ATTACHMENTS

Photos of this location were taken and placed on file.

Mark L. Jones	April 22, 2004 / 9:30 am
DOGM REPRESENTATIVE	DATE/TIME

Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	0
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	0
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	0
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	20
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	15 20	5
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	0
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	0
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	10
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	15

Final Score 50 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required .


22 9:08AM


22 9:08AM


22 9:14AM


22 9:15AM

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: MSC Exploration L.P.
WELL NAME & NUMBER: State MSC 16-1
API NUMBER: 43-019-31401
LOCATION: 1/4,1/4 NENE Sec: 16 TWP: 21S RNG: 20E 1270 FNL 800 FEL

Geology/Ground Water:

Significant volumes of high quality ground water are unlikely to be encountered in the bedrock at this location. A poorly to moderately permeable soil is likely to be developed on Quaternary alluvium covering the Upper part of the Blue Gate Member of the Mancos Shale. A shallow fresh water resource may be encountered in the coarser sediments of the alluvium around the creek bottom in Thompson Canyon. The proposed casing and cementing program should adequately isolate any zones of fresh water that may be penetrated. One surface point-to-point water right has been filed on an area within a mile of the proposed well site.

Reviewer: Christopher J. Kierst **Date:** 4/23/2004

Surface:

Proposed location is ~2 miles northwest of Thompson Springs, Utah. Staked location lies West of existing paved road traveling North from Thompson Springs into the Bookcliffs. Approximately 265' of new access will be built to access this well. The direct area drains to the South. Thompson Springs culinary water tanks and water distribution line are in close proximity to the proposed well, however both are on the East side of the paved road therefore should not be affected by any drilling or production activities associated with this well. DWR, SITLA, and Grand County were all invited to attend the pre-drill meeting for this well, none of whom chose to attend.

Reviewer: Mark L. Jones **Date:** April 22, 2004

Conditions of Approval/Application for Permit to Drill:

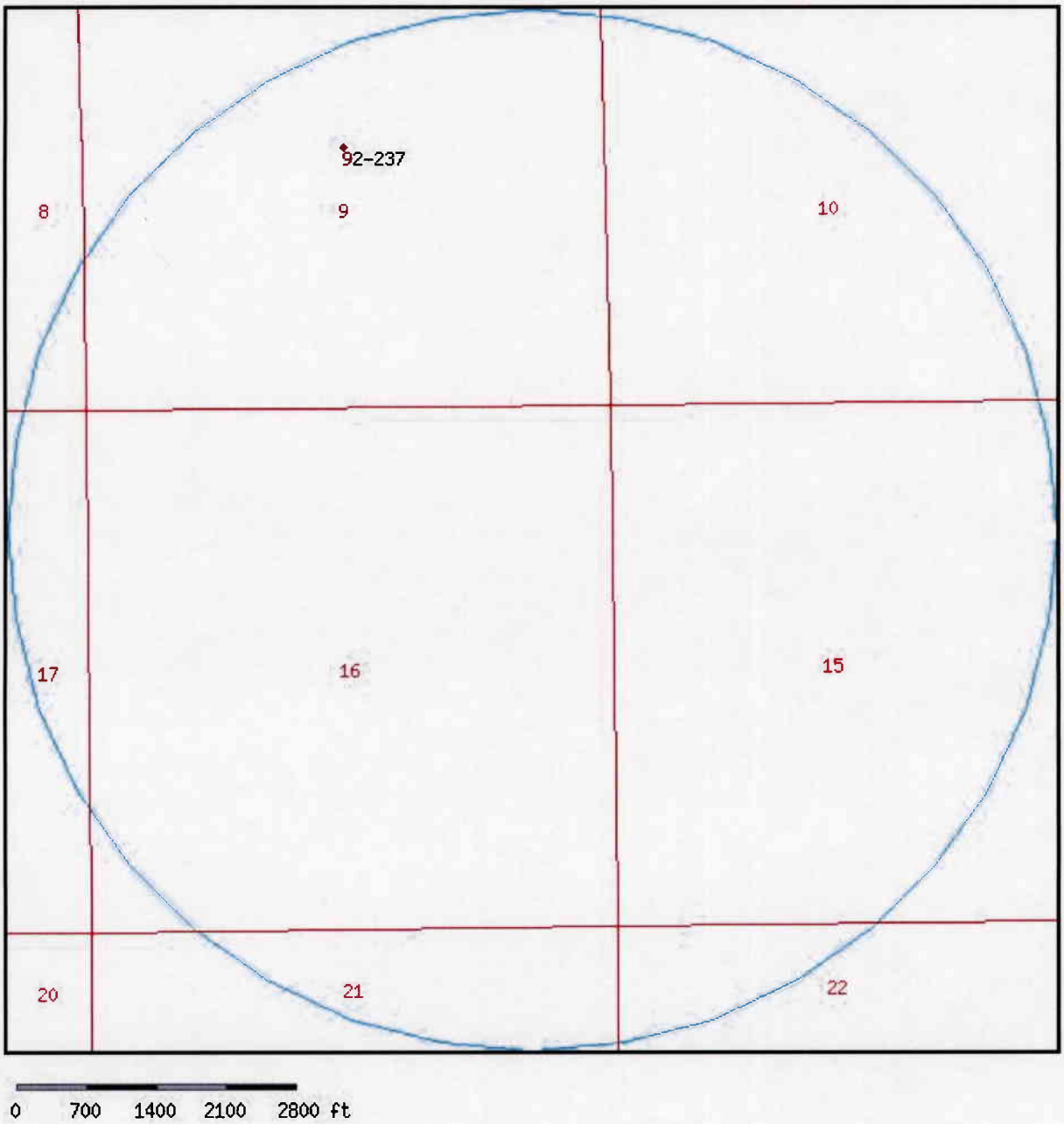
1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.03.26.00 Rundate: 04/23/2004 10:40 AM

Radius search of 5280 feet from a point S1270 W800 from the NE corner, section 16, Township 21S, Range 20E, SL b&m
Criteria:wrtypes=W,C,E podtypes=all status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Ow
92-237	Point to Point		P	18700000	S	0.011	0.000	Edward S

0 0 09 21S 20E SL

UT

Well name:	**04-04 MSC State MSC 16-1**
Operator:	**MSC Exploration L.P.**
String type:	Production
Location:	Grand County, Utah
Project ID:	43-019-31401

Design parameters:

Collapse

Mud weight: 9.000 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,433 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 3,273 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 6,045 ft

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 163 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 1,500 ft

Cement top: 2,187 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	7000	5.5	17.00	N-80	LT&C	7000	7000	4.767	241.2

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3273	6290	1.92	3273	7740	2.37	119	348	2.92 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural Resources

Phone: (801) 538-5281
FAX: (801)359-3940

Date: April 27,2004
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**04-04 MSC State MSC 16-1**
Operator:	**MSC Exploration L.P.**
String type:	Surface
Project ID:	43-019-31401
Location:	Grand County, Utah

Design parameters:

Collapse

Mud weight: 8.400 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 440 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 500 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)

8 Round LTC: 1.80 (J)

Buttress: 1.60 (J)

Premium: 1.50 (J)

Body yield: 1.50 (B)

Tension is based on air weight.

Neutral point: 438 ft

Environment:

H2S considered? No

Surface temperature: 65 °F

Bottom hole temperature: 72 °F

Temperature gradient: 1.40 °F/100ft

Minimum section length: 299 ft

Cement top: 43 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 7,000 ft

Next mud weight: 9.000 ppg

Next setting BHP: 3,273 psi

Fracture mud wt: 19.250 ppg

Fracture depth: 500 ft

Injection pressure 500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	500	8.625	28.00	H-40 Proposed J-55	ST&C	500	500	7.892	27.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	218	1610	7.38	500	2470	4.94	14	233	16.64 J

Prepared by: Dustin K. Doucet, Utah Dept. of Natural Resources

Phone: (801) 538-5281

FAX: (801)359-3940

Date: April 27,2004

Salt Lake City, Utah

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04-04 MSC State MSC 16-

Casing Schematic

Surface

Marcos

8-5/8"
MW 8.4
Frac 19.3

TOC @
43.

w/18% washout

Surface
500. MD

TOC @
2187.

BOP

BHP = 3273 psi

Gas Cut
(0.12)(7000) = 840 psi

MASP = 2433 psi

3M BOPE proposed

proposed Test surface to 1500 psi ✓

(0.7)(2470) = 1729 psi

test to 1500 psi OK ✓

DKD 4/27/04

2854
Dakota

3784'
Entrada

4244'
Carmel

4374
Navajo

4734'
Kayenta

4964'
Wingate

5234'
Chinle

5424
Shinarump

5764'
Moenkopi

5944'
Pennsylvanian

w/15% washout

5714 TOC Tail

5-1/2"
MW 9.

Production
7000. MD

4/28/04

Mark Markham 435-259-1341
CELL 220-0175

- Resident of Thompson Springs. Well location being built near his house.
- Need info. & call back.

John - this is it, we are waiting for RDCC, which will be up on 5-1-04. Please return to Diana Whitney

Bond rec'd 4/28 CL
$35,000

002

PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

April 11, 2004

Diana Whitney
Utah Div. of Oil, Gas, & Mining
P. O. Box 145801
Salt Lake City, Ut. 84114-5801

Dear Diana,

On behalf of MSC Exploration L. P., I am applying for approval of an exception location for their State MSC 16-1 wildcat oil well in Section 16, T. 21 S., R. 20 E., Grand County. I am requesting an exception because of geology.

This well is staked at 1270' FNL & 800' FEL on an 640 acre state lease. An orthodox well could be staked at 960' FNL & 800' FEL, but this would move it away from the seismically defined target. MSC is requesting permission to drill at 1270' FNL & 800' FEL 16-21s-20e. This is the only oil or gas well existing or planned in the quarter-quarter. There are no wells of any type within a mile radius. Closest lease line is 800' east. MSC is owner of all drilling units within a minimum 800' radius of the proposed exception. This includes all of Section 16 and at least three of the eight directly or diagonally offsetting drilling units. The unit (SENE Sec. 16) toward which the well encroaches is part of the same MSC State lease.

MSC has a rig available May 1, They would be very grateful if the APD could be approved by about April 25. This would allow time for construction, etc. MSC will be filing a Form 5 and a single well bond.

Please call me if you have any questions.

Sincerely,

Brian Wood

cc: Faust

RECEIVED
APR 12 2004
DIV. OF OIL, GAS & MINING

MSC Exploration L. P.
State MSC 16-1
1270' FNL & 800' FEL
Sec. 16, T. 21 S., R. 20 E.
Grand County, Utah

Drilling Program

1. Formation Name	Depth from GL	Depth from KB	Elevation
Mancos Shale	0'	12'	+5,254'
Dakota Sandstone	2,854'	2,866'	+2,400'
Moab Tongue	3,694'	3,706'	+1,560'
Entrada Sandstone	3,784'	3,796'	+1,470'
Carmel Sandstone	4,244'	4,256'	+1,010'
Navajo Sandstone	4,374'	4,386'	+880'
Kayenta Sandstone	4,734'	4,746'	+520'
Wingate Sandstone	4,964'	4,976'	+290'
Chinle Shale	5,234'	5,246'	+20'
Shinarump Congl.	5,424'	5,436'	-170'
Moenkopi Shale	5,489'	5,501'	-235'
White Rim Sandstone	5,764'	5,766'	-510'
Pennsylvanian Top	5,944'	5,956'	-690'
Pennsylvanian Sandstone	6,667'	6,679'	-1,413'
Total Depth	7.000'	7,012'	-1,746'

(All depths are based on an ungraded ground level of 5,254')

2. NOTABLE ZONES

Pennsylvanian is the primary goal. Other potential oil or gas zones are the Dakota, Moab, Navajo, Wingate, and White Rim. The Glen Canyon group of sandstones are possible water zones.

3. PRESSURE CONTROL (Also see "5." on PAGE 2)

A 3,000 psi BOP and choke manifold will be used from the bottom of the surface casing to TD. (A typical 3,000 psi BOP system is on Page 3. Actual model will not be known until the bid is let.) BOP Equipment and the 8 5/8

casing will be pressure tested to rated pressures prior to drilling out of the 8 5/8" surface casing. BOP rams will be function tested on trips and the stack will be pressure tested every 30 days if necessary. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily to assure good mechanical working order.

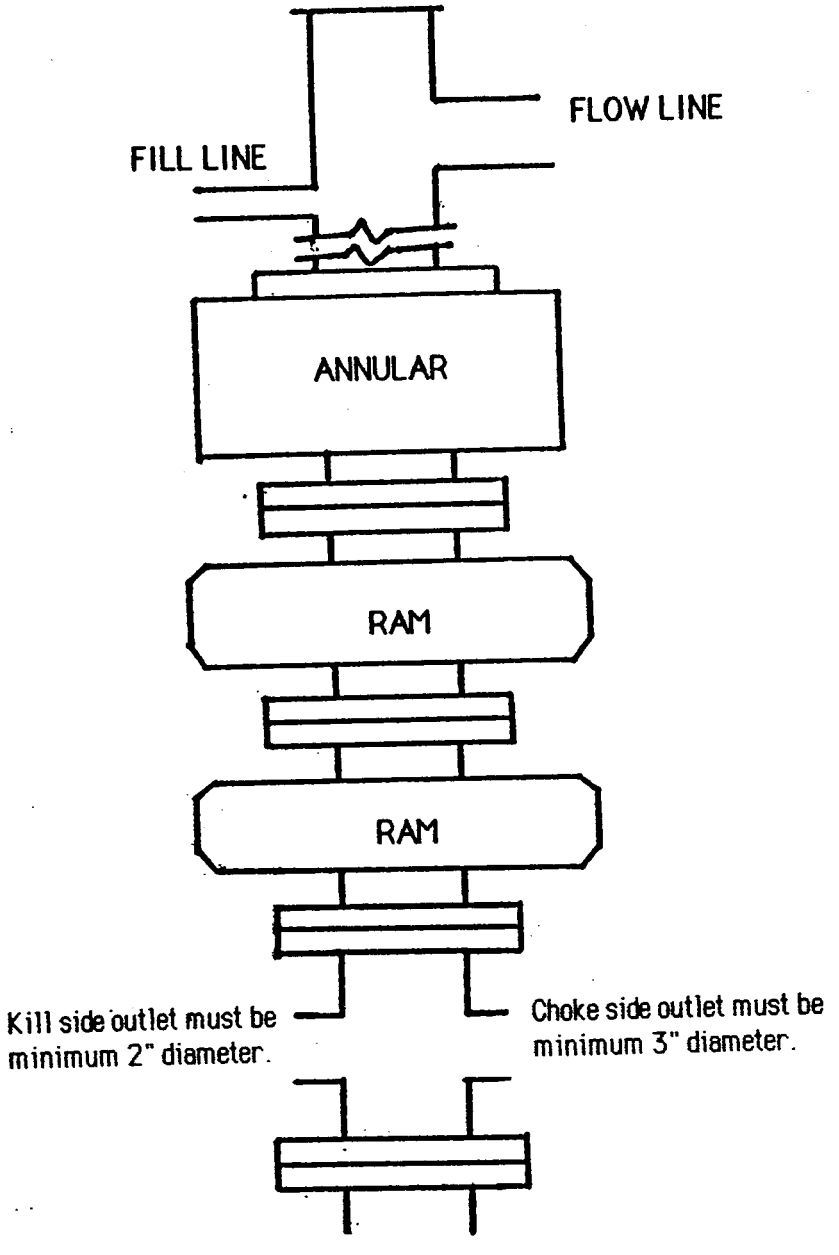
4. CASING & CEMENTING

Hole Size	O. D.	Weight	Grade	Type	Age	Setting Depth
10-5/8"	8-5/8"	28	J-55	S T & C	New	500'
7-7/8"	5-1/2"	17	N-80	L T & C	New	7,000'

All tubular goods will be new or inspected to premium specifications. Casing strings will be pressure tested to 0.22 psi/ft of casing string length or to 1,500 psi whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe. Surface casing shoe will be set in a competent formation. A pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

Surface casing will be cemented to the surface with ≈175 sacks (≈100% excess) Class G (weight = 15.2 pounds per gallon & yield 1.18 cubic feet per sack).

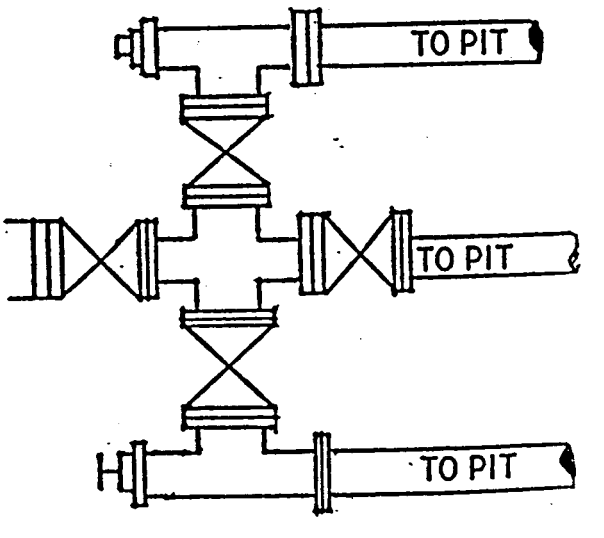
Production casing will be cemented to the surface. Lead cement will consist of ≈260 sacks Blend weight (weight = 11.0 pounds per gallon & yield = 3.82 cubic feet per sack). Tail with ≈300 sacks 50/50 poz (weight = 14.4 pounds per gallon & yield 1.21 cubic feet per sack). Wait on cement, set slips with casing in full tension. Actual volumes to be determined after reviewing logs and shows. All potentially productive zones will be covered with cement.



Kill line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve.

TYPICAL BOP STACK
& CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum). The choke line will be 3" in diameter. There will be a pressure gauge on the choke manifold.



Upper kelly cock will have handle available.
Safety valve and subs will fit all drill string connections in use.
All BOPE connections subjected to well pressure will be flanged, welded, or clamped.

PERMITS WEST, INC.
PROVIDING PERMITS for the ENERGY INDUSTRY

5. MUD PROGRAM

Will drill from surface to ≈500' with air and/or fresh water mud system. Will drill remainder of hole with LSND.

6. DATA GATHERING

May cut cores or may run drill stem tests depending on shows. Mud loggers will be on site from ≈500' to TD and will collect samples every 10'. They will have FID and chromatograph unit. Will run following log suites:

GR/Dual Induction - SFL
GR/Bore Hole Compensated Sonic
GR/Neutron Density
Continuous Dip meter - FMI
Gamma Ray - Directional

7. DOWN HOLE CONDITIONS

Maximum anticipated bottom hole pressure is ≈3,000 psi. No hydrogen sulfide, abnormal pressures, nor abnormal temperatures are expected.

8. MISCELLANEOUS

Projected spud date is May 1, 2004. It will take ≈3 weeks to drill the well and ≈2 weeks to complete the well.

Surface Use Plan

1. EXISTING ROADS & DIRECTIONS (See PAGES 9 & 10)

From the Thompson Springs Exit (#185) on I-70 ...
Go North 2.1 miles on U-94 through Thompson Springs
Then turn left and follow flagging cross country NW for ≈256' to the well

2. ROAD TO BE BUILT

No upgrading is needed. The last ≈200' of road will be built with a minimum 14' wide running surface. Maximum grade = 1%. Maximum cut or fill = 2'. A cattle guard will be offset west from the existing fence and installed at a 45° angle.

3. EXISTING WELLS

There are no existing injection, disposal, oil, or gas wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES

A tank battery, separator, and pump will be installed on the pad. All surface equipment will be painted a flat juniper green color.

5. WATER SUPPLY

Water will be trucked from Thompson and Marsing Construction and Ready Mix (right #92-117) in Green River.

6. CONSTRUCTION MATERIALS & METHODS

Topsoil and brush will be stripped and stockpiled west of the pad. Excess subsoil will be formed into a berm and stored north of the pad. A diversion ditch will be cut east of the pad. The reserve pit will be lined with minimum 12 mil plastic. Gravel will be bought from a private landowner.

7. WASTE DISPOSAL

The reserve pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The fourth side will be fenced once the rig moves off hole. The fence will be kept in good repair while the pit dries.

All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities.

No oil will be allowed on the reserve pit. Any oil which accumulates on the pit will be pumped or skimmed off and hauled to a state approved recycle facility. Once dry, the reserve pit contents will be buried in place. The pit will be back filled sufficiently deep so no liner is exposed.

8. ANCILLARY FACILITIES

There will be no airstrip or formal camp. Camper trailers will be on site for the company man, roughnecks, mud logger, tool pusher, etc.

9. WELL SITE LAYOUT

See PAGES 11 & 12 for depictions of the well pad, cross sections, cut and fill diagrams, reserve pit, burn pit, access road onto the pad, parking, living facilities, and rig orientation.

10. RECLAMATION

After completing drilling, the well site and immediate area will be cleared of all debris and material not needed for production.

Reclamation will start when the reserve pit is dry. At least 2' of cover will be placed on the reserve pit. All areas not needed for production will be back filled, contoured to match natural contours, and reserved topsoil and brush evenly spread. If the well is a producer, then enough topsoil will be kept aside to reclaim the rest of the pad. Disturbed areas will be ripped, harrowed, or scarified before seeding.

All reclaimed areas will be broadcast seeded in late fall or winter with seed mix specified by the State. Seeded areas will be left rough and lightly harrowed or drug with a chain after seeding.

11. SURFACE OWNER

All construction is on lease and on State and Institutional Trust Land Authority land.

12. OTHER INFORMATION

Closest first aid is the Green River Medical Center at 305 West Main in Green River, Utah. Its phone number is (435) 564-3434. It is a 1/2 hour drive.

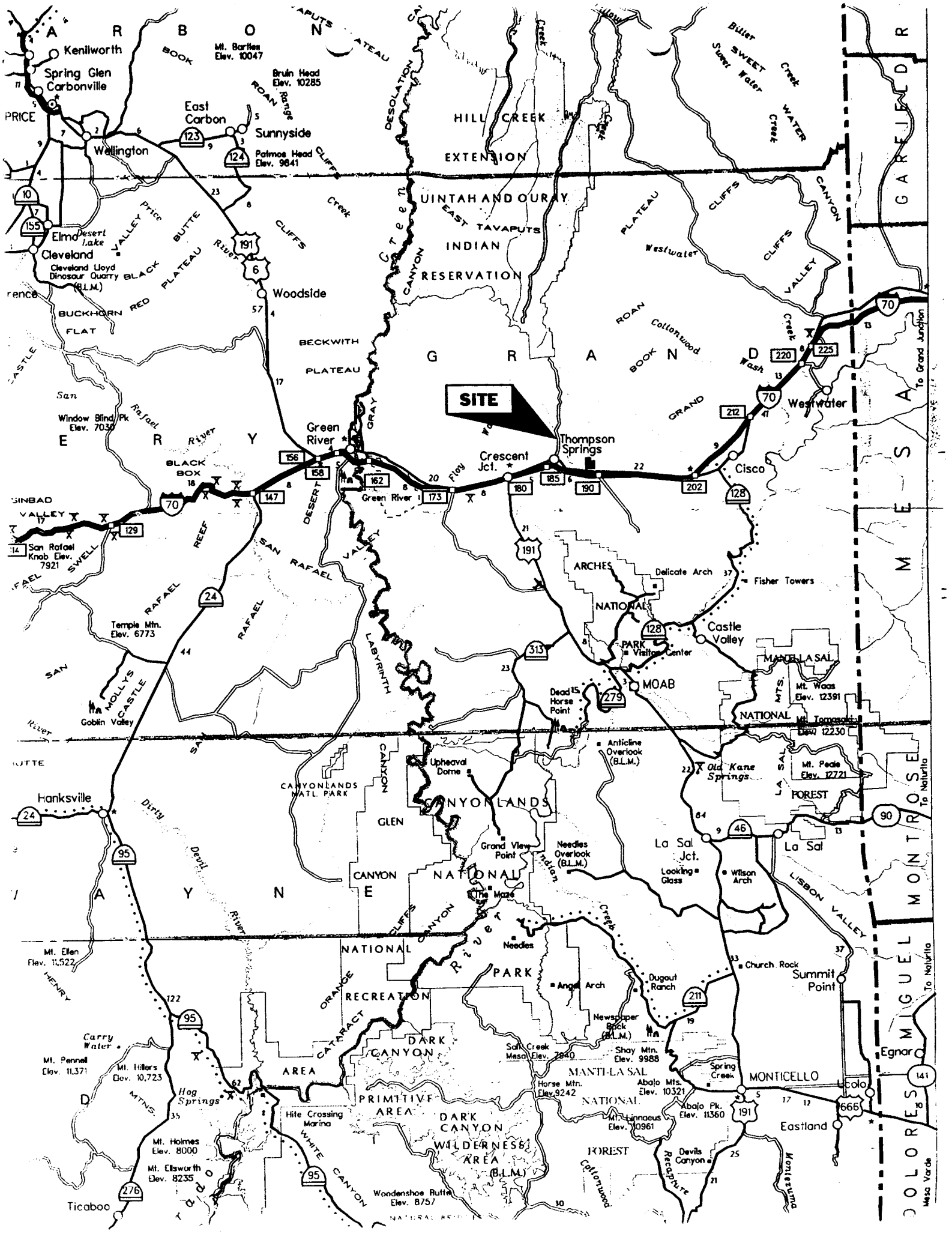
13. REPRESENTATION

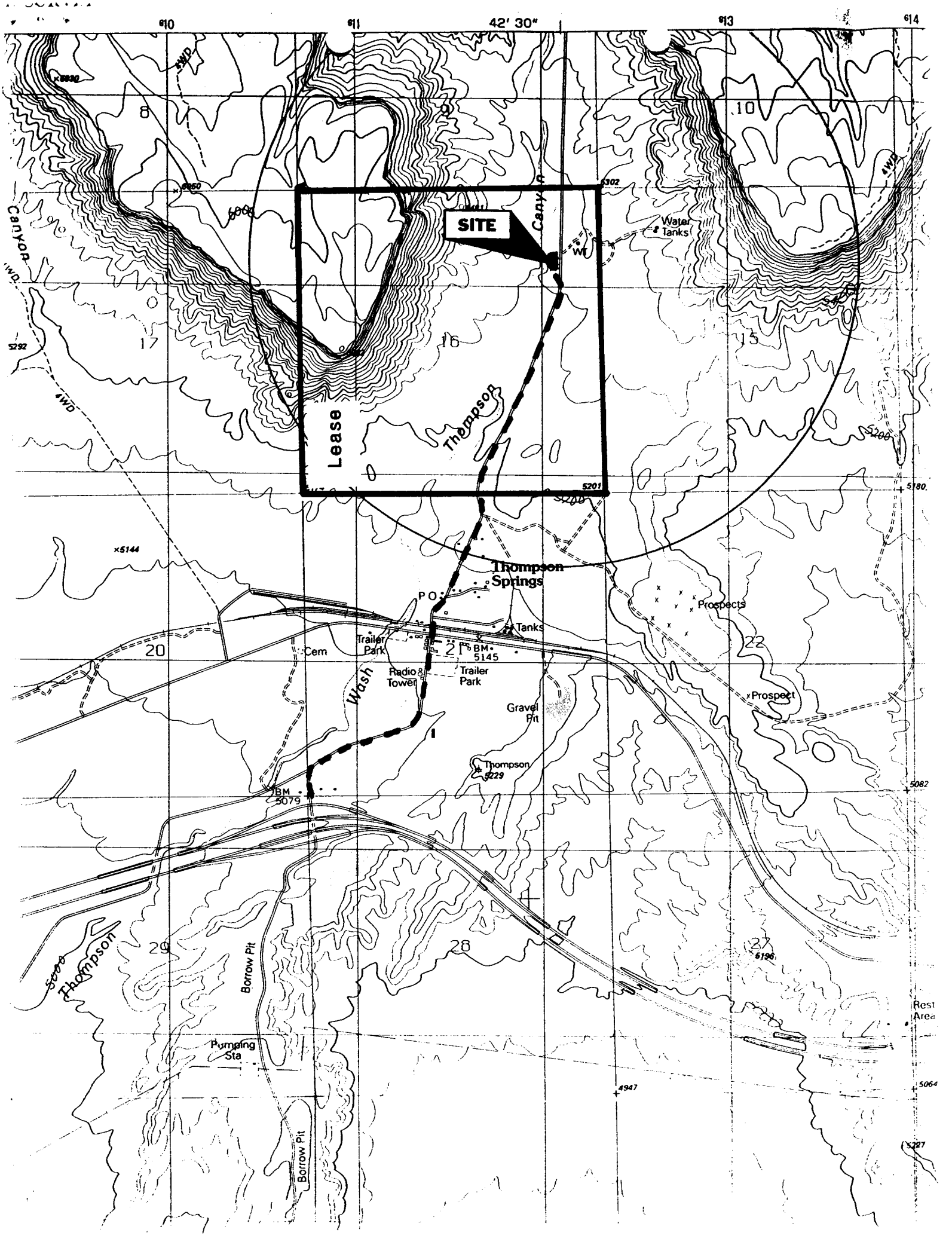
Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87508
(505) 466-8120 FAX: (505) 466-9682 Mobile: (505) 699-2276

The operator's contact is:

Lynn Faust
MSC Exploration L. P.
16800 Imperial Valley Dr., Suite 380
Houston, TX 77060
(281) 931-8933 FAX (281) 931-8655 Mobile: (832) 434-9900

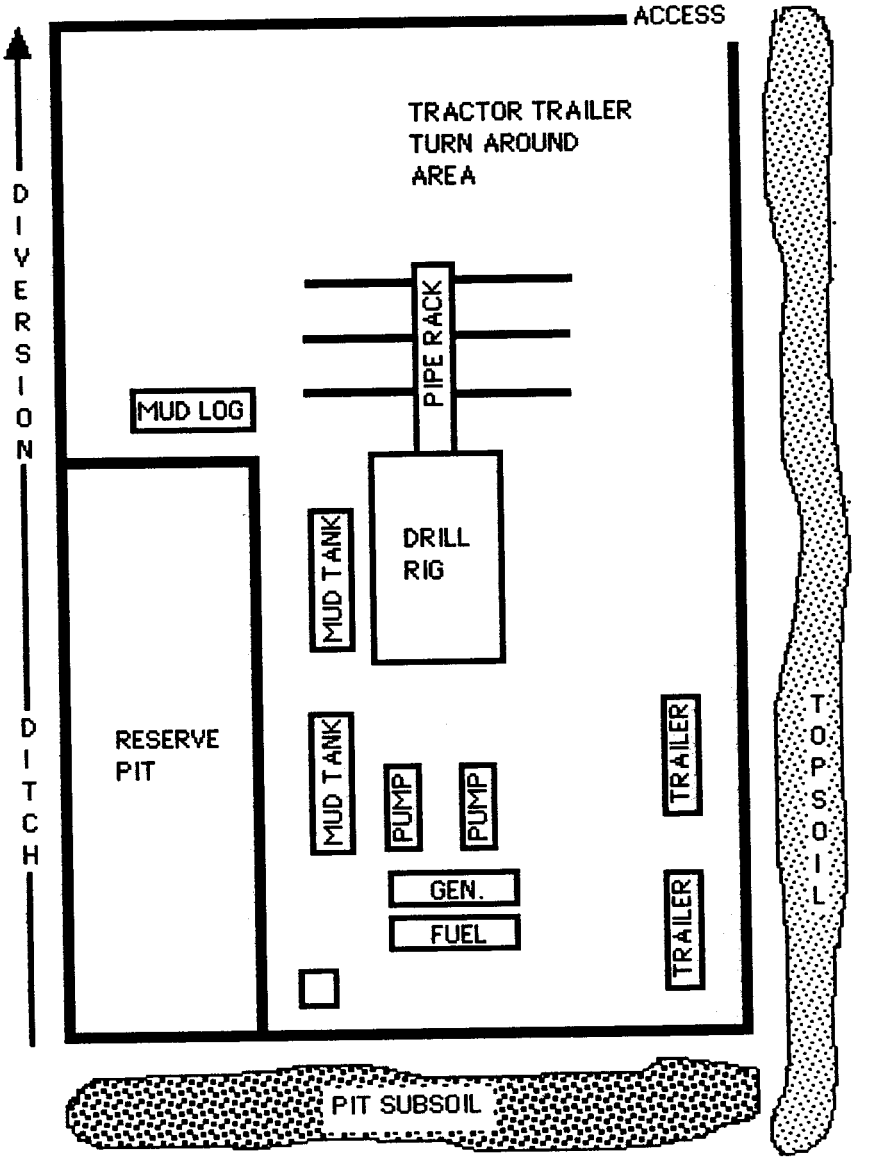

SITE
Thompson Springs
Crescent Jct.
Green River
Westwater
Cisco
Woodside
Cleveland
Elmo
Wellington
East Carbon
Sunnyside
Kenilworth
Spring Glen
Carbonville
PRICE
Hanksville
Ticaboo
MOAB
Castle Valley
La Sal Jct.
La Sal
Egnar
Eastland
MONTICELLO
Colo
Summit Point
Church Rock
Dugout Ranch
Newspaper Rock (B.L.M.)
Needles
Needles Overlook (B.L.M.)
Grand View Point
Upheaval Dome
Anticline Overlook (B.L.M.)
Old Kane Springs
Wilson Arch
Looking Glass
Delicate Arch
Fisher Towers
Dead Horse Point
Goblin Valley
Temple Mtn. Elev. 6773
Window Blind Pk Elev. 7030
San Rafael Knob Elev. 7921
Mt. Ellen Elev. 11,522
Mt. Pennell Elev. 11,371
Mt. Hillers Elev. 10,723
Mt. Holmes Elev. 8000
Mt. Ellsworth Elev. 8235
Woodenshoe Butte Elev. 8757
Mt. Waas Elev. 12391
Mt. Tomasaki Elev. 12230
Mt. Peale Elev. 12721
Abajo Mts. Elev. 10321
Abajo Pk. Elev. 11360
Mt. Linnaeus Elev. 10961
Shay Mtn. Elev. 9988
Salt Creek Mesa Elev. 7840
Horse Mtn. Elev. 9242
Mt. Barflies Elev. 10047
Bruin Head Elev. 10285
Patmos Head Elev. 9641
Cleveland Lloyd Dinosaur Quarry (B.L.M.)
Hite Crossing Marina
Hog Springs
Spring Creek
Devils Canyon
Green River
Colorado River
Dirty Devil River
Fremont River
Price River
Green River
Colorado River
Dolores River
Mesa Verde
To Grand Junction
To Naturita
To Naturita
ARCHES NATIONAL PARK Visitor Center
CANYONLANDS NATL. PARK
CANYONLANDS NATIONAL PARK
GLEN CANYON NATIONAL RECREATION AREA
The Maze
DARK CANYON PRIMITIVE AREA
DARK CANYON WILDERNESS AREA (B.L.M.)
MANTI-LA SAL NATIONAL FOREST
MANTI-LA SAL MTS.
UINTAH AND OURAY INDIAN RESERVATION
EAST TAVAPUTS PLATEAU
HILL CREEK EXTENSION
BOOK CLIFFS
ROAN CLIFFS
BOOK CLIFFS
BOOK PLATEAU
BECKWITH PLATEAU
BLACK BOX
BUCKHORN FLAT
BLACK BUTTE
RED PLATEAU
SAN RAFAEL SWELL
SAN RAFAEL REEF
SAN RAFAEL DESERT
SAN RAFAEL VALLEY
GRAND VALLEY
GRAND WASH
GRAY CANYON
DESOLATION CANYON
LABYRINTH CANYON
ORANGE CLIFFS
CATARACT CANYON
WHITE CANYON
LISBON VALLEY
Westwater Canyon
Westwater Creek
Cottonwood Wash
Cottonwood Creek
Rapidan Creek
Montezuma Creek
Butler Wash
Sweet Water Creek
Price River
Desert Lake
Flag Creek
Indian Creek
Green River
Colorado River
Dolores River
Mesa Verde
GARFIELD
MESA
MONTROSE
DOLORES
SAN MIGUEL
EMERY
CARBON
GRAND


42' 30"
SITE
Lease
Canyon
Thompson
Water Tanks
Thompson Springs
P O
Tanks
Trailer Park
Cem
BM 5145
Radio Tower
Trailer Park
Wash
Gravel Pit
Prospects
Prospect
Thompson
BM 5079
Borrow Pit
Pumping Sta
Borrow Pit
Thompson
Rest Area
4WD
20
21
22
28
29
27
17
16
15
10
8
9

MSC Exploration L. P.
State MSC 16-1
1270' FNL & 800' FEL
Sec. 16, T. 21 S., R. 20 E.
Grand County, Utah

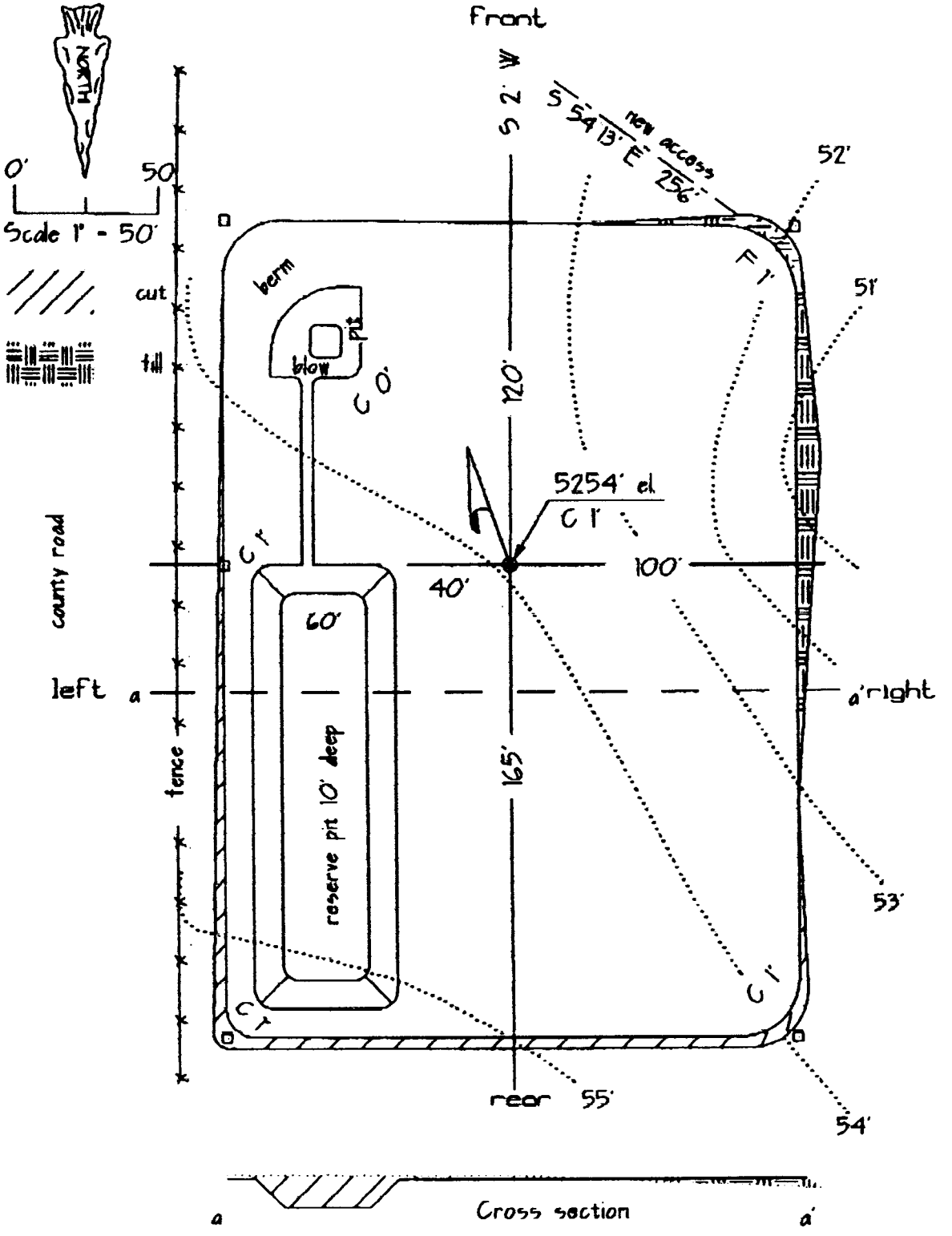
1" = 50'

NORTH



PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS

State MSC 16 - 1
well pad & section



003

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/12/2004

API NO. ASSIGNED: 43-019-31401

WELL NAME: STATE MSC 16-1

OPERATOR: MSC EXPLORATION, LP (N2595)

CONTACT: BRIAN WOOD

PHONE NUMBER: 505-466-8120

PROPOSED LOCATION:

NENE 16 210S 200E

SURFACE: 1270 FNL 0800 FEL

BOTTOM: 1270 FNL 0800 FEL

GRAND

WILDCAT (1)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-46760

SURFACE OWNER: 3 - State

PROPOSED FORMATION: PENN

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	4/27/04
Geology		
Surface		

LATITUDE: 38.98894

LONGITUDE: 109.70607

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 373103236775)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 92-117)

____ RDCC Review (Y/N)
(Date: 05/01/2005)

NA Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3.

Unit _____

____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

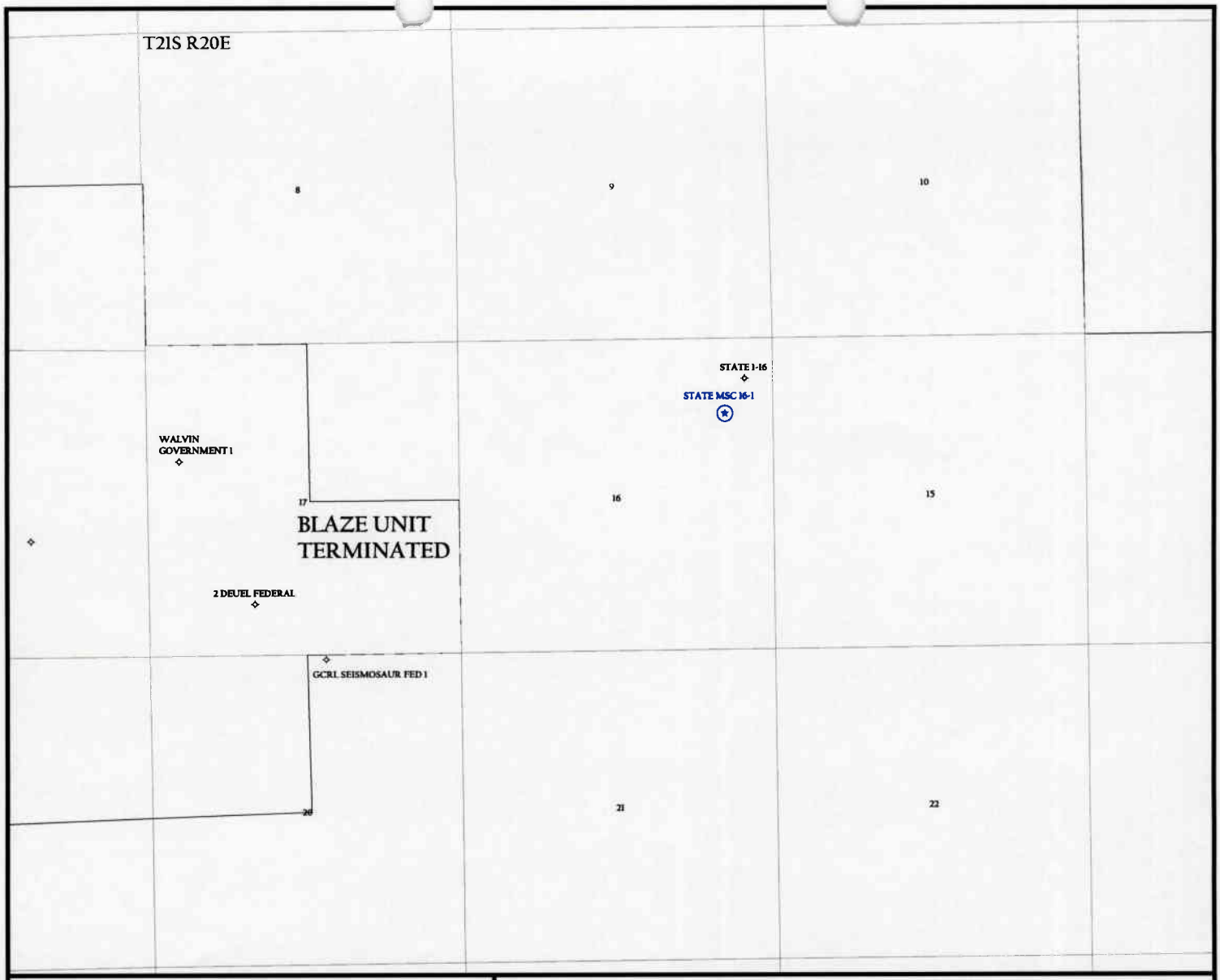
✓ R649-3-3. **Exception**

____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____

____ R649-3-11. Directional Drill

COMMENTS: Needs Permit (Rec'd 4-22-04)

STIPULATIONS: 1. Spacing Stip
2. STATEMENT OF BASIS



OPERATOR: MSC EXPLORATION LP (N2595)

SEC. 16 T.21S, R.20E

FIELD: WILDCAT (001)

COUNTY: GRAND

SPACING: R649-3-3 / EXCEPTION LOCATION

Utah Oil Gas and Mining

Well Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

N
W E
S

PREPARED BY: DIANA WHITNEY
DATE: 16-APRIL-2004

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Tidewater Oil + Gas Company LLC

LEASE NUMBER: ML 46760

and hereby designates

NAME: MSC Exploration, L.P. N2595

ADDRESS: 16800 Imperial Valley Dr. Ste 380

city Houston state TX zip 77060

as his (check one) agent ☐ / operator ☑, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

T. 21S., R. 20E
Section 16 ALL;

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: April 14, 2004

BY: (Name) James S. Jones
(Signature) James S. Jones
(Title) Manager
(Phone) (303) 932-1181

OF: (Company) Tidewater Oil + Gas Company LLC
(Address) 11614 Elk Head Range Rd
city Littleton
state CO zip 80127

(5/2000)

RECEIVED
APR 15 2004
DIV. OF OIL, GAS & MINING

STATE ACTIONS
Governor's Office of Planning and Budget
Resource Development Coordinating Committee
P.O. Box 145610
1594 W. North Temple, Suite 3710
SLC, UT 84114-5610
538-5535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	**2. Approximate date project will start:** Upon Approval or April 25, 2004

3. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1)

Southeastern Utah Association of Governments

4. Type of action: / / Lease /X / Permit / / License / / Land Acquisition

/ / Land Sale / / Land Exchange / / Other_____

5. Title of proposed action:

Application for Permit to Drill

6. Description:

MSC Exploration, L.P. proposes to drill the State MSC 16-1 well (wildcat) on a State lease ML-46760, Grand County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

7. Land affected (site location map required) (indicate county) – include UTM coordinates where possible
1270' FNL 800' FEL NE/4, NE/4,
Section 16, Township 21 S, Range 20 E, Grand County, Utah

8. Jordan River Natural Areas Forum review – If the proposed action affects lands within the Jordan River Natural Areas Corridor. N/A

9. Has the local government(s) been contacted? No
If yes,
a. How was contact made?
b. Who was contacted?
c. What was the response?
d. If no response, how is the local government(s) likely to be impacted?

10. Possible significant impacts likely to occur:

Degree of impact is based on the discovery of oil or gas in commercial quantities.

11. Name and phone of district representative from your agency near project site, if applicable:
N/A

12. For further information, contact: **Diana Whitney** **Phone:** (801) 538-5312	**13. Signature and title of authorized officer** John R. Baza, Associate Director **Date:** April 16, 2004

Grand River Institute

P.O. Box 3543 Grand Junction, CO 81502 970/245-7868 FAX 970/245-6317

April 16, 2004

Solaris Exploration, Inc.
16800 Imperial Valley Drive, Ste 380
Houston, TX 77060

Attn: Ms Lynn S. Faust, Vice President

Re: GRI Project No. 2409 – Class III cultural resources inventory for the State MSC 16-1 well location in Grand County, Utah

Dear Ms Faust:

The field work for the above cited project has been completed. One historic site and one prehistoric isolated find were recorded but both were field evaluated as non-significant and will not affect your well location. Our final report is under way and will be sent upon payment of the attached invoice. Please call me if have any questions.

Sincerely,

Carl E. Conner

Carl E. Conner
Director

RECEIVED
APR 2 0 2004
DIV. OF OIL, GAS & MINING

From: Ed Bonner
To: Whitney, Diana
Date: 4/23/2004 12:44:52 PM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

MSC Exploration
State MSC 16-1

Miller, Dyer & Company
Ute Tribal 10-2-15-20

Westport Oil & Gas Company
Bonanza 1023-2G
Bonanza 1023-2I
Bonanza 1023-2O

ConocoPhillips Company
Utah 32-617

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

004

State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

May 4, 2004

MSC Exploration L. P.
16800 Imperial Valley Dr. Suite 380
Houston, TX 77060

Re: State MSC 16-1 Well, 1270' FNL, 800' FEL, NE NE, Sec. 16, T. 21 South, R. 20 East, Grand County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31401.

Sincerely,

for John R. Baza
Associate Director

pab
Enclosures

cc: Grand County Assessor
SITLA

Operator: MSC Exploration L. P.
Well Name & Number State MSC 16-1
API Number: 43-019-31401
Lease: ML-46760

Location: NE NE **Sec.** 16 **T.** 21 South **R.** 20 East

Conditions of Approval

1. **General**
   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**
   The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
   - 24 hours prior to cementing or testing casing
   - 24 hours prior to testing blowout prevention equipment
   - 24 hours prior to spudding the well
   - within 24 hours of any emergency changes made to the approved drilling program
   - prior to commencing operations to plug and abandon the well

   The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):
   - Dan Jarvis at (801) 538-5338
   - Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**
   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: MSC EXPLORATION LP

Well Name: STATE MSC 16-1

Api No: 43-019-31401 Lease Type: STATE

Section 16 Township 21S Range 20E County GRAND

Drilling Contractor PETE MARTIN RIG # RATHOLE

SPUDDED:

Date 05/14/04

Time

How DRY

Drilling will commence: *05/17/04*

Reported by GALEN WILLIAMS, CONSULT ENG

Telephone # 1-713-463-2361

Date 05/17/2004 Signed CHD

006

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: MSC EXPLORATION, L.P. Operator Account Number: N 2595

Address: 16800 IMPERIAL VALLEY DR. STE. 390

city HOUSTON

state TX zip 77060 Phone Number: 281-931-8933

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-019-31401	STATE MSC 16-1		NWSE	16	21S	20E	GRAND
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	14166	5-13-04		5/20/04		

Comments: PENN

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		

Comments:

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MAY 18 2004
DIV. OF OIL, GAS & MINING

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		

Comments:

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Lynn Faust
Name (Please Print)

L Faust
Signature

Administrator 5-16-04
Title Date

(5/2000)

MSC EXPLORATION, LP
16800 IMPERIAL VALLEY DRIVE
SUITE 380
HOUSTON, TEXAS 77060
281-931-8933 & 281-931-8655 FAX

FACSIMILE TRANSMITTAL SHEET

TO: Dustin Doucet
FROM: Lynn Faust
COMPANY: Div O G+M
DATE: 6-4-04
FAX NUMBER: 801-359-3940
TOTAL NO. OF PAGES INCLUDING COVER: 2
PHONE NUMBER:
RE:

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Pls find revised Sundry Notice.

Lynn

RECEIVED
JUN - 7 2004
DIV. OF OIL, GAS & MINING

007

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FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

7. UNIT or CA AGREEMENT NAME: N/A

8. WELL NAME and NUMBER: STATE MSC #16-1

9. API NUMBER: 4301931401

10. FIELD AND POOL, OR WILDCAT: WILDCAT

1. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ OTHER

2. NAME OF OPERATOR: MSC EXPLORATION L. P.

3. ADDRESS OF OPERATOR: 16800 IMPERIAL VALLEY DR., SUITE 380 HOUSTON TX 77060 PHONE NUMBER: (281) 931-8933

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1270' FNL & 800' FEL COUNTY: GRAND

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☑ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 6/4/2004	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

WELL WAS ORIGINALLY PERMITTED TO 7000' AS A PENNSYLVANIAN TEST. OPERATOR HAS DETERMINED FROM DRILLED FORMATIONS THAT WELL NEEDS TO PENETRATE AS DEEP AS 8500' TO SEE THE COMPLETE PENNSYLVANIAN SERIES. REQUEST THAT THE PERMIT DEPTH BE AMENDED TO 8500'. THE CASING DESIGNS WILL NOT BE NEGATIVELY AFFECTED BY THIS DEEPENING. PRODUCTION CEMENT VOLUMES WILL BE AMENDED AFTER OBTAINING ELECTRIC LOGS TO DETERMINE FILL HEIGHT.

8700'
Revised TD

COPY SENT TO OPERATOR
Date: 6-9-04
Initials: CHD

NAME (PLEASE PRINT) Lynn Faust TITLE Administrator

SIGNATURE L Faust DATE 6/4/2004

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 6/7/04
BY: [illegible]

* Cement should be brought back to ±2500' min. to protect Dakota Fm.

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INSTRUCTIONS

This form shall be submitted by the operator to show the intention and/or completion of the following:

- miscellaneous work projects and actions for which other specific report forms do not exist;
- all other work and events as identified in section 11, Type of Action, or as required by the Utah Oil and Gas Conservation General Rules, including:
  - minor deepening of an existing well bore,
  - plugging back a well,
  - recompleting to a different producing formation within an existing well bore (intent only),
  - reperforating the current producing formation,
  - drilling a sidetrack to repair a well,
  - reporting monthly the status of each drilling well.

This form is not to be used for <u>proposals</u> to

- drill new wells,
- reenter previously plugged and abandoned wells,
- significantly deepen existing wells below their current bottom-hole depth,
- drill horizontal laterals from an existing well bore,
- drill hydrocarbon exploratory holes such as core samples and stratigraphic tests.

Use Form 3, Application for Permit to Drill (APD) for such proposals.

NOTICE OF INTENT - A notice of intention to do work on a well or to change plans previously approved shall be submitted in duplicate and must be received and approved by the division before the work is commenced. The operator is responsible for receipt of the notice by the division in ample time for proper consideration and action. In cases of emergency, the operator may obtain verbal approval to commence work. Within five days after receiving verbal approval, the operator shall submit a Sundry Notice describing the work and acknowledging the verbal approval.

SUBSEQUENT REPORT - A subsequent report shall be submitted to the division within 30 days of the completion of the outlined work. Specific details of the work performed should be provided, including dates, well depths, placement of plugs, etc.

WELL ABANDONMENT - Proposals to abandon a well and subsequent reports of abandonment should include reasons for the abandonment; data on any former or present productive zones, or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, and method of parting of any casing, liner, or tubing pulled and the depth to top of any left in the hole; method of closing top of well; and date well site conditioned for final inspection looking to approval of the abandonment.

In addition to any Sundry Notice forms submitted, **Form 8, Well Completion or Recompletion Report and Log** must be submitted to the division to report the <u>results</u> of the following operations:

- completing or plugging a new well,
- reentering a previously plugged and abandoned well,
- significantly deepening an existing well bore below the current bottom-hole depth,
- drilling horizontal laterals from an existing well bore,
- drilling hydrocarbon exploratory holes such as core samples and stratigraphic tests,
- recompleting to a different producing formation.

Send to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

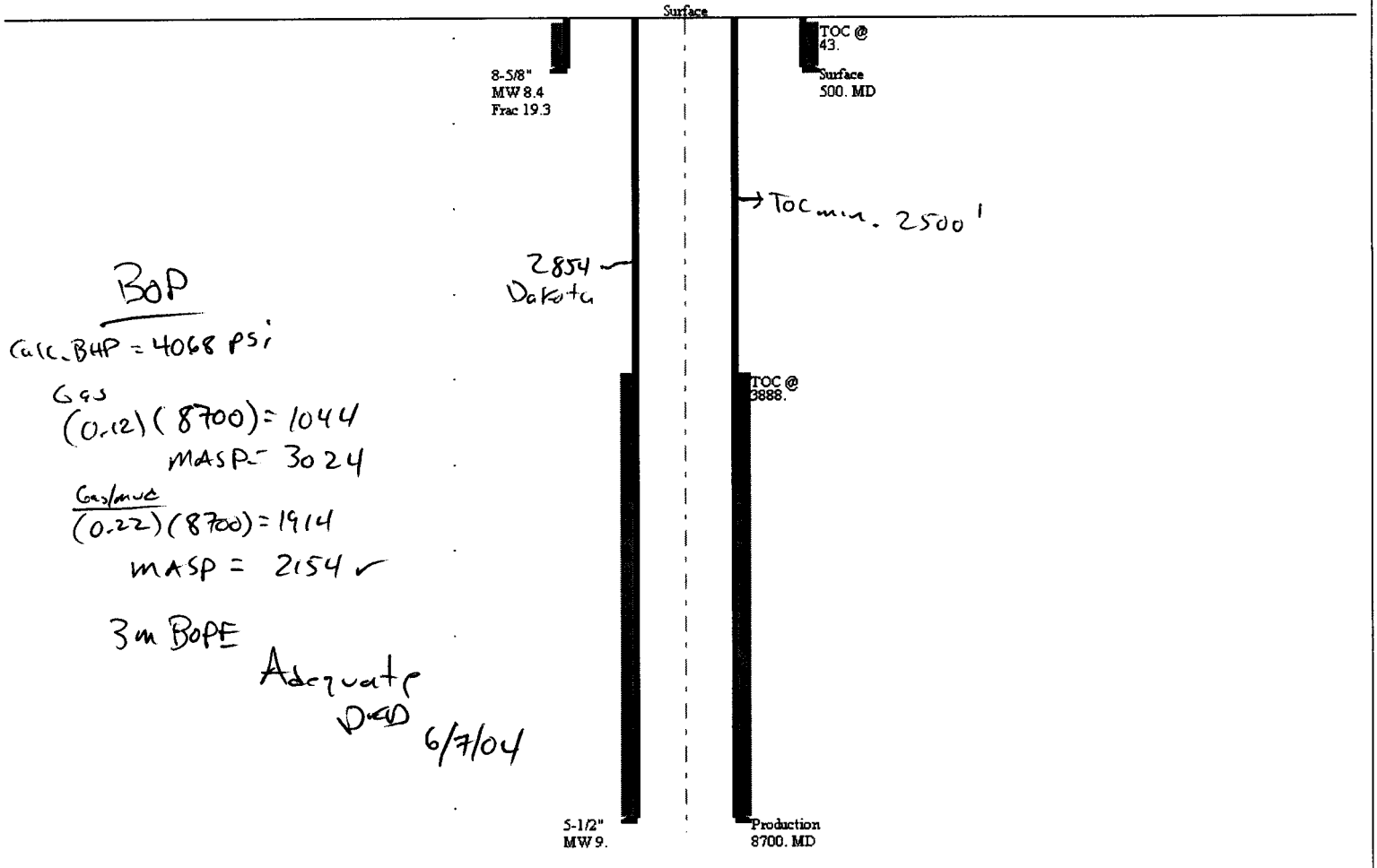
CONFIDENTIAL

Graph Output [Casing Schematic [04-04 MSC State MSC 16-1rev.]]

File Window

04-04 MSC State MSC 16-1rev.

Casing Schematic



BOP

Calc. BHP = 4068 psi

Gas
(0.12)(8700) = 1044
MASP = 3024

Gas/mud
(0.22)(8700) = 1914
MASP = 2154 ✓

3m BOPE

Adequate
DMD 6/7/04

Start | Novell-delivered Applica... | Graphics Server | Lone Star Steel Compan... | Graph Output - [Ca... | 9:25 AM

CONFIDENTIAL

Well name:	**04-04 MSC State MSC 16-1rev.**
Operator:	**MSC Exploration L.P.**
String type:	Production
Location:	Grand County, Utah
Project ID:	43-019-31401

Design parameters:

Collapse

Mud weight: 9.000 ppg

Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 3,024 psi

Internal gradient: 0.120 psi/ft

Calculated BHP 4,068 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.50 (B)

Tension is based on air weight.

Neutral point: 7,513 ft

Environment:

H2S considered?	No
Surface temperature:	65 °F
Bottom hole temperature:	187 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	3,888 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8700	5.5	17.00	N-80	LT&C	8700	8700	4.767	299.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4068	6290	1.55	4068	7740	1.90	148	348	2.35 J

Prepared by: Dustin K. Doucet
Utah Dept. of Natural Resources

Phone: (801) 538-5281
FAX: (801)359-3940

Date: June 7,2004
Salt Lake City, Utah

N/A.

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Union #7	46	3	4/27/04	Jun 9, 2004	Jun 12, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$500,000		Carl Hulslander

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Rig released at 0001 hrs 6/1204	Rig Fax:		Conrad Tenney

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/04	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'			8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343.5				

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	9 x 6	3.15								1/4				
2	14 x 5.5	4.37								1/2				
										3/4				

BHA

Length: 488.33 Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$3,484		$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Status: ____ Crew Boat Name: Status:
0600	0630	0.5	16	Run 196 jts of 5 1/2", 17.0 #/ft., L80, LTC Production casing to 8690' with DV tool @ 5512'. *
0630	1000	3.5	3	Circulate. RD T & M casers. RU BJ cementing. Circulate & test lines.
1000	1230	2.5	2	Cement casing w/ 856 sxs, 192 bbls., 50-50 poz Class G w/ 3% CaCl2 + .25 #/sx cello flake + .4 #X/sx. Kol seal + 5% FL52 + 2% bentonite + H2O. Plug bumped w/ 202 bbls displaced @ 1000 psi. Float held 15 minutes.
1230	1700	4.5	2	Open DV tool @ 5512'. Circulate through DV tool.
1700	1900	2.0	3	Cement 2nd stage w/ Lead of 510 sxs, 188 bbls., Premium Lite II + 5#/sx CSE + .25 #/sx cello flake + 3 #X/sx. Kol seal + 1.5% NA metasilicate + 6% bentonite + H2O. Tail of 140 sxs, 31 bbls., 50-50 Poz Class G + 3% CaCL2 + .25#/sx cello flake + .4 #/sx kol seal + 5% FL52 + 2% bentonite + H2O. Plug bumped w/ 128 bbls displaced @ 1500 psi. Float held 15 mins. RD BJ cementers.
1900	1930	0.5	2	Set casing slips with 120,000 lbs on slips.
1930	2000	0.5	11	Clean mud tanks and begin rigging down rental equipment and rig. Rig
2000	0000	4.0	14	released @ 0001 hrs on 6/12/04.
0000	0600	6.0	1	RD Union #7 and rental equipment.
				Release all rental equipment.
				Rig plans to move on Tuesday.
				Will fence reserve pit an install wellhead.
				Mr. Mark Jones w/ DONR notified of running 5 1/2" casing and cementing.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob	6	6
2. Cement	7.5	7.5
3. Circulate	5.5	16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.	0.5	0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D	4	4
15. Rig Repair		
16. Run Casing	0.5	8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		5
Total	24	64

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$28,434
Daily		Daily	210	Bbls	Cement:	sx	Daily Cost	$199,521
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$227,955

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Union #7	47	4	4/27/2004	Jun 9, 2004	Jun 13, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$500,000		Carl Hulslander

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Rigging down Union #7	Rig Fax:		Conrad Tenney

Current Weather	MMS Visit	NPDES	People on Loc.:	23	BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	12		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'			8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343.5				

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1	9 x 6	3.15								1/2				
2	14 x 5.5	4.37								3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Crew Boat Name:	Status: ____ Status:
0600	1800	12.0	1	RD Aircomp booster. Return Anchor mud products. RD Pason monitoring equipment. RD and release centrifuge. RD and release desilter. RD Union #7. Rig scheduled to move off location Tuesday.	
				Excess 5 1/2" will be stored at Bob Beamon Drilling yard. Larry Dick will take junk bits.	
				Mr. Mark Jones w/ DONR called to request that a bond log be run on the 5 1/2 production casing. Will run after completion rig moves in.	
				Cooper Cameron "B" section with dry hole tree will be installed after rig has moved out.	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob	12	18
2. Cement		7.5
3. Circulate		16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D		4
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		5
Total	12	76

Total Hours	12.0				
Rig Downtime	Fuel Usage		Bulk Material on Board	Previous Cost	$227,955
Daily	Daily	Bbls	Cement: sx	Daily Cost	$3,625
Cum.	Cum.	801.5 Bbls	Barite: sx	Cum. Cost	$231,580

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Union #7	48	5	4/27/2004	Jun 9, 2004	Jun 14, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$500,000		Carl Hulslander

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
RD Union Rig #7	Rig Fax:		Conrad Tenney

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'			8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343.5				

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1	9 x 6	3.15								1/2				
2	14 x 5.5	4.37								3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Status: ____ Crew Boat Name: Status:
0600	1800	12.0	1	RD Union Rig #7. Scheduled to begin moving Tuesday morning.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob	12	30
2. Cement		7.5
3. Circulate		16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D		4
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		5
Total	12	88

Total Hours	12.0				
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$231,580
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$2,025
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$233,605

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Union #7	50	7	4/27/2004	Jun 9, 2004	Jun 16, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$500,000		Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Inspecting DP, WO Cameron	Rig Fax: (435) 220-0999	Conrad Tenney

Current Weather	MMS Visit	NPDES	People on Loc.:	BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	5/19/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'			8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1	9 x 6	3.15								1/2				
2	14 x 5.5	4.37								3/4				

BHA

Length: Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Desand	Cent.	Hours Mud Engineer	Mud Company
PIT									Mike Welker	Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost	Cumulative Cost
										$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1800	12.0	1	RD Union Rig #7. Begin inspecting drillpipe. Got truck out to move mud tanks and BOP's for tubing head installlation. Union having trouble scheduling trucks for demobilization. Now scheduled for Friday.
				Today:
				Will build fence around reserve pit.
				Will install Cooper Cameron tubing head with dry hole flange.
				Will take Cooper Cameron service man to Solaris
				Location sign will be delivered to Mike Silliman w/ S&S in Green River and he will put on wellhead. (435) 564-3291
				Conrad Tenney will call for fork lift pickup when drillpipe inspection finished
				Trailer camp released back to base yard.
				Water tanks keys returned to Thompson Springs Water District.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob	12	54
2. Cement		7.5
3. Circulate		16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D		4
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		5
Total	12	112

Total Hours	12.0

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$240,405
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$2,525
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$242,930

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	1	9	10/18/2004	Oct 18, 2004	Oct 18, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 970-640-9933	Toolpusher
MIRU Leede Energy Completion Rig	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'			8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Crew Boat Name:	Status: ____ Status:
0600	1400	8.0	1	Mobilizing Leede Energy Completion Rig #692 to location. SDFN.	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob	8	74
2. Cement		7.5
3. Circulate		16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D		4
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		5
Total	8	132

Total Hours	8.0						
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$259,281
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$500
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$259,781

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	2	11	10/18/2004	Oct 18, 2004	Oct 20, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 505-330-3402	Toolpusher
	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator			RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78' Description: bit, scraper, 4 3.5" DC

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	resh Water															

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Deslit	Mud Cl	Daily Cost		Cumulative Cost
											$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO Crew
0700	0730	0.5	28	Start rig, Spotted 500 bbl frac tank.
0730	0830	1.0	12	PU BHA. bit, scraper, 4 3.5" DC
0830	1100	2.5	13	Spot truck, Tally tubing. PU 2 7/8" pipe. TIH with 87 jts.to 2876'
1100	1315	2.3	28	WO 2nd tubing truck w/ 192 jts. Total of 279 jts on location.
1315	1630	3.3	13	Tally tubing. PU off truck. TIH to DV @ 5465' (KB) w/ 169 jts tbg + BHA
1630	1730	1.0	3	Rig up power swivel. Circulate hole clean
1730	1800	0.5	5	Drilling cement stringers from 5465' to 5496' in 30 mins.(31')
1800	1830	0.5	5	Drilled from 5496' hard cement w/ 6 pts wt. (1 ft/10mins). Bit sticking
				reduced wt 3 pts. Drilled total 14 ft in 30 mins.
1830	1845	0.3	3	Circulated hole clean.
1845	1900	0.3	28	Tied back power swivel. Installed TIW valve. Shut well in.
				SDFN
				Light to heavy rain all day.
				Could not unload all of pipe. Trailer dropped at location.
Total Hours		13.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate	1.25	17.75
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA	1	2.5
13. P.U./L.D. Pipe	5.75	13.25
14. R/U; R/D		10
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	4	10
Total	12	151

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$270,393
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$7,651
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$278,044

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	1	10	10/18/2004	Oct 18, 2004	Oct 19, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prep to GIH with bit & scraper	Rig Fax: 505-330-3402	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator			RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$3,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Crew Boat Name:	Status: ____ Status:
0600	0700	1.0	28	WO crew	
0700	0730	0.5	14	Leede Rig # 629 on location with crew.	
0730	0930	2.0	14	R&W Rentals delivered BOPE, stripping head, spool, 4" DC with handling	
				tools	
0930	1130	2.0	14	Tubing head delivered by Cameron well head.	
				Crew installed Tubing head, BOP, stripping head. Layed down floor	
				Tested head to 3000 psi. BOP to 3000 psi	
1130	1230	1.0	14	Tallied 4" DC, 2-7/8" x 5.5" casing scraper, and change overs. BHA= 131.72'	
1230	1300	0.5	14	Unloaded frac tank and pump. Layed 2" line to well head	
				SDFN @ 1300 hrs	
Total Hours		7.0			

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		16.5
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		1.5
13. P.U./L.D. Pipe		7.5
14. R/U; R/D	6	10
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		6.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	1	6
Total	7	139

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$259,781
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$10,612
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$270,393

RECEIVED

DEC 03 2004

DIV. OF OIL, GAS & MINING

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	4	13	10/18/2004	Oct 18, 2004	Oct 22, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 505-330-3402	Toolpusher
WO swab line splicer	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:	11	BOP Test Date	RIG ELEVATIONS
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator	2	10/18/2004	RKB 15 ft
Seas:	Incs? ☐ Yes		Contractor	6	Next BOP Test Date	Water Depth ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	3		RKB-CHF ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO Crews
0730	0830	1.0	15	Wait on pusher for drillers work clothes
0830	1130	3.0	21	TIH w/ 2 7/8" tubing w/ seating nipple to 8685' - 275 jts and 8' of 276th jt
1130	1230	1.0	3	Rig up lines and displaced w/ 180 bbls 6% KCL + iron agent
1230	1300	0.5	21	Pulled 11 jts of tubing and stood back 2 stds - 482'
1300	1530	2.5	15	Rigged up to swab well. Did not have parts. Ordered parts from yard
				Parts arrived @ 1530 hrs
1530	1800	2.5	28	Made 10 swab runs. Recovered 75 bbls. .
				Sand line parted. Called office. Have splicer on location tomorrow.
				Est/ 1600 hrs arrival for splicer
				SDFN @ 1800 hrs
				Medium rain all morning, Light rain during all afternoon
				Galan Williams on location.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate	1	19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	3.5	3.5
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	3.5	15.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	4	19.5
Total	12	175.25

Total Hours	12.0						
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$294,061
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$7,465
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$301,526

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	3	12	10/18/2004	Oct 18, 2004	Oct 21, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Mixing completion fluid	505-330-3402	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$3,547		$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO crew
0730	0745	0.3	28	Crew on location, start rig, rig up power swivel
0745	0845	1.0	5	Drill cement, 6 pts on bit, drilling slow. Drill rubber, rubbers spinning
				drilled 22' in 1 hr. Drilled through DV. Circ hole
0845	0900	0.3	5	Make connection. Rotated down 30' No cement
0900	0915	0.3	28	Layed down power swivel
0915	1200	2.8	21	PU 2 7/8" tubing. Rabbiting and tallying in hole. TIH to bottom.
				271 jts - 8682'.
1200	1230	0.5	3	Circulated hole
1230	1530	3.0	21	TOOH
1530	1600	0.5	12	Layed down4 3.5" DCs on trailer. Change overs, scraper & bit to go to
				MSC 2-1 location
1600	1930	3.5	28	RU Excell for CBL. Ran CBL from TD to 2850'
				Mixed 310 bbls of water w/ 48 gals KCL liquid, 5 gals ionic wetting agent
				for 6% KCL water
				SDFN
				Bond is good over perforated interval - 8446' to 8476'
Total Hours		13.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate	0.5	18.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA	0.5	3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	5.75	12.25
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	5.5	15.5
Total	12.25	163.25

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$278,044
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$16,017
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$294,061

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	6	15	10/18/2004	Oct 18, 2004	Oct 24, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to swab	505-330-3402	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Desand	Cent.	Hours Mud Engineer	Mud Company
PIT									Mike Welker	Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost	Cumulative Cost
										$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO Crew
0730	0830	1.0	15	Start rig. 3 Men on location, no derrick hand.
				Pouring rope socket
0830	1015	1.8	21	TIH w/ tubing to 8203' w/ 118 stds, Landed tubing
1015	1115	1.0	15	Installed flags.
1115	1230	1.3	28	Swab well. Made 4 runs. Recovered 15 bbls of KCL water
				Driller snapped line. Dropped about 400 ft of line and sinker bars.
1230	1300	0.5	28	Rigged up to pull tbg. Spooled lose cable on drum
1300	1600	3.0	21	TOOH w/ tbg. Stand back Pulled 122 stds to cable.
1600	1645	0.8	15	Pulling cable out of tubing with elevators, Recovered sinker bar and both
				swab cups.
1645	1830	1.8	21	TIH w/ tubing with 122 stds to 8203' KB. Poured rope socket during trip in hole
				Installed TIW valve.
				SDFN
				No rain on location.
				Will change out swab line. Not enough swab line to swab down to perfs.
Total Hours		12.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	2.75	10
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	6.5	24.5
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	3.25	24.25
Total	12.5	195.25

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$305,777
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$2,981
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$308,758

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PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	5	14	10/18/2004	Oct 18, 2004	Oct 23, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	505-330-3402	Toolpusher
GIH with tubing	Rig Fax:		Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name:	Status: Status:
0600	0730	1.5	28	WO Crew	
0730	1200	4.5		Start rig. Raining very hard. Sinker bar fell to bottom. Pusher bringing	
				new dog house to location. Crew short WO crew.	
1200	1415	2.3	21	Started out of hole with tubing standing back tubing. Found cable @	
				236 jt @ 7900'. Pull cable out of tubing with elevators. Pulled app. 800'	
				of cable and sinker bars. Working short-handed.	
1415	1800	3.8	15	PU lubricator. Ran sand line through lubrcator and down 2 7/8" tubing	
				Reeled appl 2000' off drum to bad spot for splicing. Cut off bad section	
				and splice sandline back together. Reeled line on drum.	
				SDFN	
				No charge on Leede Energy #692 pump/ rig today	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	3.75	7.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	2.25	18
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	1.5	21
Total	7.5	182.75

Total Hours	12.0

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$301,526
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$4,251
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$305,777

DEC 03 2004

DIV. OF OIL, GAS & MINING

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	8	17	10/18/2004	Oct 18, 2004	Oct 26, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Rig Fax:	Toolpusher
Prepare to swab	505-330-3402		Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:	BOP Test Date	RIG ELEVATIONS
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator	10/18/2004	RKB 15 ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date	Water Depth ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service		RKB-CHF ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO crew
0730	0830	1.0	28	Start rig., Rig up Excell to perforate
0830	0930	1.0	28	Run gun to TD. 8533'. Coorelated with bond log
				Pulled up to 8447'. Shot from 8446' to 8476' w/ 4 shots per foot w/ .43" jets
				43" penetration. Total of 120 holes. All shots fired.
				No gas blow after perforation. Rig down Excell
0930	1200	2.5	15	Sandline jumped drum sheeve at crown.
				Spooled 8000' of old sandline onto empty spool on truck
1200	1530	3.5	15	Spooled 14,500' of new 9/16"sandline onto rig.
1530	1730	2.0	21	PU 2 7/8", 5.5" Hornet packer (6.83') seating nipple (1.10') & 265 jts of tubing.
				Landed top of packer at 8362'. Bottom @ 8368'. Set packer w/ 18 M #
				Installed TIW valve. Set pipe rams on BOPs.
1730	1830	1.0	28	Poured rope socket on new sandline.
				SDFN @ 1830 hrs
				Toolpusher walked off job at 1000 hrs
				New pusher for rig this PM. Arrived on location at 1530 hrs
Total Hours		12.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	6	16
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	2	29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	4.5	38
Total	12.5	220.25

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$314,696
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$12,556
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$327,252

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	7	16	10/18/2004	Oct 18, 2004	Oct 25, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	505-330-3402	Toolpusher
Prep to perforate	Rig Fax:		Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0730	1.5	28	WO Crews
0730	0845	1.3	28	Start rig. Install flags on sand line
0845	1015	1.5	28	RIH w/ swab. FL=3500'. Recovered 15 bbls on 3 runs
1015	1030	0.3	28	Changed swab cups and lubricator rubber
1030	1415	3.8	28	Swabbed a total of 147 bbls on 13 runs. FL=7600'. Total length of sandline
				on rig.
1415	1730	3.3	21	TOOH with 130 stds tubing standing back.
				Closed blind rams.
1730	1830	1.0	28	Lay 2" flare and water line to pit with choke on line
				SDFN
Total Hours		12.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		10
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	3.25	27.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	9.25	33.5
Total	12.5	207.75

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$308,758
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,938
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$314,696

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	10	19	10/18/2004	Oct 18, 2004	Oct 28, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to swab	505-330-3402	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO Crew
0730	0800	0.5	28	Start rig. TP= 0 psi, CP = 0 psi, Rig up swab to tag FL
				Ran swab to 8360'. No fluid. Laid down swab
0800	0830	0.5	28	Rigged up BJ on tubing to acidize perfs 8447' to 8476' w/ 15% HCl acid/
				w iron control, corrosion inhibitor, clay stabilizer, friction reducer,
				non-emulsifier.
0830	0845	0.3	28	Held safety meeting. Pressure tested all lines to 6000 psi
0845	0915	0.5	28	Pumped acid down tubing. Pressure 290 psi @ 5.9 bbls/min
				30 bbls pumped P= 282 psi @ 5.9 bpm, 47 total bbls acid pumped dropping
				3 balls per bbl. At 47 bbls, acid on formation. Pressure 2200 psi @ 2.8 bpm
				Inc. rate to 5 bpm, pressure inc. to 2800 psi.
				At 60 bbls acid pumped, P-2650 psi @ 5 bpm.
				At 72 bbls acid pumped, started flush with 6% KCL H2O P= 2590 psi @ 5 bpm
				94 bbls pumped, balls on perfs, P=2900 psi @ 4.9 bpm
				110 bbls pumped, P= 3525 psi @ 6.4 bpm, had pressure break
				Balls still in tubing, overdisplaced w/ 30 bbls 6% KCL H2O, Total 180 balls
0915	0945	0.5	28	Total 145 bbls, P=3850 psi @ 6.3 bpm. ISIP= 3850 psi, 5 mn = 2130 psi
				10 min= 2050 psi, 15 min= 1990 psi, Pumped total of 72 bbls of 15% HCL
				Displ w/ 83 bbls KCL.
0945	1045	1.0	28	SI well, Rigged down BJ.
1045	1130	0.8	28	Opened well to pit w/ 1700 psi to pit.
				45 min flow rate. Rec 20 bbls of load. SI well for build-up
1130	1230	1.0	28	Presseure inc. from 0 psi to 440 psi in 1 hr. Blew down in 3 min
1230	1300	0.5	28	Rigged up swab
1300	1530	2.5	28	Made 5 swab runs. Rec 31 bbls of 6% KCL H2O. Swabbed to tank
				Switched flow to pit because KCL contaminated
1530	1830	3.0	28	Swab well to pit. On 2nd run, chain on drum sprocket started slipping
				Total 7 runs. FL = 5500' on last run. L/D swab. SI well SDFN
				Total for day, Rec 76 bbls, 79 bbls load to recover.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		16
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	12.5	63
Total	12.5	245.25

Total Hours	12.5						
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$335,132
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$74,272
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$409,404

DEC 03 2004

DIV. OF OIL, GAS & MINING

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	9	18	10/18/2004	Oct 18, 2004	Oct 27, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to do acid ball-out job	505-330-3402	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Crew Boat Name:	Status: ____ Status:
0600	0730	1.5	28	WO Crews	
0730	0800	0.5	28	Crew on location. Start rig. TP= 0 psi, Annulus = 0 psi	
				Installed new flags on sand line	
0800	1300	5.0	28	TIH with swab. FL= 3500'. Swabbed back 5 bbls	
				Made 6 runs. FL=8360', @ seating nipple. Well on vacuum. Made 2 short runs/	
				Swabbed a total of 20 bbls.	
1300	1500	2.0	28	Wait 30 mins between swab runs. Well on vacuum.	
1500	1700	2.0	28	Made 1 bbl in 30 mins. Made 2 dry runs. Vacuum not as strong	
1700	1830	1.5	28	Made 1 swab run. No fluid. Vacuum has minimized. Made 2 short runs	
				150' to 200' over seating nipple. Could not recover any fluid on swab run	
				Well is dormant.	
				Torat recovered today= 20 bbls, 11 bbls to recover	
				SDFN @ 1830 hrs	
				Will acidize tomorrow at 0800 hrs	
Total Hours		12.5			

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		16
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	12.5	50.5
Total	12.5	232.75

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$327,252
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$7,880
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$335,132

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	12	21	10/18/2004	Oct 18, 2004	Oct 30, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,642	8,642	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 505-330-3402	Toolpusher
Prepare to set retrievable BP	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO Crews
0730	0845	1.3	15	Trying to start rig. Engine finally started @ 0845 hrs..
				TP= 10 psi, CP= 0 psi
0845	0945	1.0	28	Rig up swab. TIH to swab. FL= 3500'
				Made 2 swab runs. Made 8 bbls of heavy iron colored fluid, no emulsion
0945	1130	1.8	28	Swabbed 3 runs. FL=6500' Rec 7 bbls,
1130	1230	1.0	28	Swabbed fluid to seating nipple. No gas show. Made a run recovered 3 BBls
				FL= 7200'
				Made 7th run, making 2 - 600 ft short runs to created vacuum on formation
				Rec. 1 bbl.
1230	1330	1.0	28	8th run - FL @ 7900;. Dry run
1330	1430	1.0	28	SI well for one hour fluid build-up
1430	1530	1.0	28	Made 9th run. FL=7500', Rec 2 bbls fluid. No show of gas
				Made 10th run. Dry Rec 21 bbls for day.
1530	1600	0.5	15	Shut down to install chain on drum drive
1600	1815	2.3	28	Unseated Baker packer. TOOH standing back tubing
				LD packer. Shut well in.
1815	1830	0.3	28	SDFN
				Total fluid 155 bbls, Recovered 145 bbls, BTR = 10 bbls
				Jack Stanley called @ 1430 hrs.to perforate up hole @ 8206' to 8222'
Total Hours		12.5		

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	1.75	17.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	10.75	86.25
Total	12.5	270.25

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$414,841
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$5,218
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$420,059

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	11	20	10/18/2004	Oct 18, 2004	Oct 29, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
				$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 505-330-3402	Toolpusher
	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB 15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78'	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0730	1.5	28	WO Crews
0730	0745	0.3	28	Start rig TP= 200 psi. CP= 0 psi, RU to swab.
0745	0900	1.3	28	TIH w/ swab. Tagged fluid @ 3700' (1800' rise overnight)
				Made 2 swab runs. Rec. 10 bbls of acid water. Installed new flags
0900	1000	1.0	28	Made 3rd run. Tagged fluid @ 5000'. Rec. 16 bbls of acid water
				FL= 6500' @ 1000hrs well not gasing
1000	1100	1.0	28	Made total of 7 runs. Rec 26 bbls. FL= 7200'
1100	1200	1.0	28	SI well 1 hr for fluid build-up
1200	1300	1.0	28	Made swab run. FL=7500', Rec 3 bbls acid water Well not gasing
1300	1400	1.0	28	Made swab run. FL=7900', Rec 2 bbls acid water Well not gasing
1400	1600	2.0	28	SI well 2 hr for fluid build-up. Water from last swab run had emulsion on
				sample after sitting 2 hrs, 1/2" quart jar
1600	1800	2.0	28	Made swab run. FL= 8360' @ seating nipple. No influx of gas or fluid
1800	1830	0.5	28	SI well, Rec total of 48 bbls today
				Laid down swab, Installed pressure gage. SDFN
				Rec 124 bbls load. 31 bbls load to recover
Total Hours		12.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		16
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	12.5	75.5
Total	12.5	257.75

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$409,404
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,437
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$414,841

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	14	23	10/18/2004	Oct 18, 2004	Nov 1, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,393	8,393	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to swab	Rig Fax: 505-330-3402	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			SD for Sunday

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		18.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		95
Total		280

Total Hours		Fuel Usage		Bulk Material on Board		Previous Cost	$434,406
Rig Downtime						Daily Cost	$1,958
Daily		Daily	Bbls	Cement:	sx	Cum. Cost	$436,364
Cum.		Cum. 801.5	Bbls	Barite:	sx		

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	13	22	10/18/2004	Oct 18, 2004	Oct 31, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,393	8,393	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
SD for Sunday	505-330-3402	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78'	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0730	1.5	28	WO Crew
0730	1030	3.0		Start rig, CP=0 psi, Downhole Center w/ RBP on location
				PU 5 1/2" retrievable bridge plug.(4.37) 2 7/8" seating nipple and jt of tubing
				TIH w/ 266 jts of 2 7/8" tubing to 8397'. Set RBP. Top @ 8393' KB
				Pulled off RBP. Lay down 2 7/8" tubing. Tubing @ 8200' KB
				RU 2 7/8" swab
1030	1130	1.0	15	Rig repair drive chain on drum sprocket
1130	1230	1.0	28	TIH w/ swab. Tagged FL @ 5600'. Made 3 runs. FL=7000'
				Rec 22 bbls H2O, Layed down swab
1230	1445	2.3	28	Started out of hole. Layed down 3 jts. Stood back 1
				LD 1 jt w/ seating nipple and retrieving head
1445	1500	0.3	28	RU Excell perforators w/ 3 1/2" dump bailer.
1500	1600	1.0	28	TIH w/ dump bailer and 2 sx 40/50 sand. Dumped sand on RBP
				15' of fill on RBP. POOH and LD bailer
1600	1700	1.0	28	TIH w/ guns. Perforated 8206' to 8222'. 64 holes, .43" holes, 43" penetration
				all shots fired, No immediate response from well. LD guns. RD Excell
1700	1715	0.3	28	Installed Washington stripping head on BOP
1715	1845	1.5	28	PU Baker Horner packer and seating nipple, TIH ran 139 jts. To 4382.38'
				SDFN. Left packer swinging. Installed TIW valve
Total Hours		12.8		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	1	18.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		29.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	8.75	95
Total	9.75	280

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$420,059
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$14,347
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$434,406

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	15	24	10/18/2004	Oct 18, 2004	Nov 2, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,393	8,393	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to swab	Rig Fax: 505-330-3402	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	28	WO Crew
0730	0745	0.3	28	Rig started. TP= 5 psi, CP = 5 psi
0745	0845	1.0	21	TIH w/ 2 7/8" tubing. Ran 257 jts, w/ seating nipple @ 8110' KB, Packer @
				8116' KB, Set packer w/ 20000# tension.
0845	0900	0.3	28	RU swab.
0900	0945	0.8	28	RIH to swab. FL= 5600' (FL= 7000' when perforated) Rec 6 bbls on 1 st
				run. 2 nd run, FL=7300'. Rec 5 bbls fluid
0945	1015	0.5	28	SI well for 30 mins to let fluid build-up
1015	1045	0.5	28	3rd run. FL= 5900', Rec 5 bbls., Released packer bypass valve
1045	1130	0.8	28	Made 4th swab run. FL=7500', Rec 3 bbls
1130	1230	1.0	28	SI well for 60 mins to let fluid build-up
1230	1330	1.0	28	5th swab run. FL=7900', Made 3 - 800 ft short runs. Rec 1 bbl
				Well not gassing
1330	1400	0.5	28	6th swab run, FL= 7900', Rec 1 bbl
1400	1500	1.0	28	SI well for 60 mins to let fluid build-up
1500	1530	0.5	28	7th swab run. No fluid entry, dry run
1530	1630	1.0	28	SI well for 60 mins to let fluid build-up
1630	1700	0.5	28	8 th swab run. FL= 7900', 3 - 800; short runs. Rec 1/2 bbl
1700	1730	0.5	28	9th swab run FL@ SN. No fluid recovered
1730	1800	0.5	28	Installed tiw valve. SDFN
				Total fluid rec = 21 bbls. Sent 4 water samples sent to Grd. Junction for
				analysis
Total Hours		12.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		18.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	1	30.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other	11	106
Total	12	292

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$436,364
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,507
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$441,871

PPI Technology Services

MSC Exploration
Daily Completion Cost

Block, Lease and Well No:	DOL	DFC	Depth	Footage	Comp. Date:	Date:
N. Thompson - State MSC #16-1	15	24	8,393	PBTD	10/18/2004	11/2/2004

Prepared by:	Contract Rig	ATD	AFE Number:	AFE Amount
Norm Woods	Leede Energy #692			$350,000

INTANGIBLES		ACCT	Vendor	Daily Cost	Cumulative
LOCATIONS	Surveying - Location				
	Build & Maintain				
	Other Surveys				
INSURANCE					
OVERHEAD					
DIRECTIONAL	Directional Driller & Tools				
	Motor Charges				
	MWD/LWD				
	Directional Surveys				
RIG COSTS	Day Work		Leed Rig $380/hr (11 hrs), pmp, flat tk, racks	$3,647	$69,261
	Turnkey				
	Mob/Demob				
	Fuel & Water				$1,652
	Misc. Supplies & Services				
	Catering				
	Water				$2,069
MUD & CHEMICALS	Mud Products				$7,031
	Mud Rental Equipment				$1,000
	Mud Supervision				
LOGGING	Open Hole Logging				$16,844
	Mud Logging				
DRILLING	Bits				$5,155
	Reamers, Hole Openers				$2,376
CEMENTING	Cementing Services				$36,186
	Cement & Additives				$42,767
	Cementing Tools				$4,491
	Float Equipment & Centralizers				$7,743
TRANSPORTATION	Land				$19,380
	Marine				
	Air				
	Boat Fuel & Lube				
	Barge Rental				
SUPERVISION	Wellsite Supervision			$1,000	$23,667
	Other Supervision			$500	$15,333
TESTING	Well Testing				$2,391
	Coring & Wireline				
RENTAL EQPT.	Rental Equipment		500 bbl $35, BOP/ DC/lifting eq $270,	$305	$10,166
	Trailer & Camp system		Porta potty	$10	$5,498
CONTRACT LABOR	Drive Hammer				
	Casing Crews & Equipment				$12,000
	Fishing Tools and Service				
	Wellhead Service & Misc:				
	Dock, Dispatcher, Cranes				
	Closed Loop				
	Misc. Contract Labor				$4,022
LOST & DAMAGED EQUIPMENT					
ENVIRONMENTAL, REGULATORY & SAFETY					
COMMUNICATION				$45	$822
MISCELLANEOUS CHARGES					
TOTAL INTANGIBLES				$5,507	$289,854

TANGIBLES	ACCT	DESCRIPTION	Daily Cost	Cumulative
Drive Pipe/Structural				
Conductor Casing				
Surface Casing				
Intermediate Casing				
Intermediate Casing/Drilling Liner				
Drilling Liner				
Production Casing/Liner		8700' of 5 1/2", 17.0#/ft., L80, LTC @ $11.62/ft.		$101,154
Production Tubing		8700' of 2 7/8", 6.50 #/ft., L80, 8REUE @ $5.10/ft		$44,370
Wellhead Equipment/Tree		11', 3M x 7 1/16'", 5M tubing head		$6,395
Liner Hanger				
Mud Line Suspension Equipment				
Subsurface Production Equipment		seating nipple, notched collar		$98
Surface Production Equipment				
Miscellaneous Tangibles				
TOTAL TANGIBLES				$152,017
WELL TOTALS			$5,507	$441,871

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	17	26	10/18/2004	Oct 18, 2004	Nov 4, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Swabbing	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
										1/2				
1										3/4				
2														

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Desand	Cent.	Hours Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO crew
0700	0715	0.3	28	Start rig. CP= 0 psi
0715	0830	1.3	21	Finish TIH to 8173' KB to set RBP. Set RBP @ 8173'.
0830	0930	1.0	28	RU swab. Swabbed well. FL=6800'. POOH
0930	0945	0.3	28	LD swab. RU to pull tubing
0945	1200	2.3	28	TOOH with tubing and retrieving head. Layed down 43 jts. Standing back
				214 jts. Layed down RBP setting head.
1200	1330	1.5	28	RU Excell with dump bailer. 1 sax 40/50 sand. Dumped sand on RBP.
				Top of sand 8163'. POOH w/ bailer. LD bailer
1330	1345	0.3	28	RU rig pump and pumped 15 barrels of 6% KCL do
1345	1430	0.8	28	RU 3 1/2" casing guns. RIH Perfed 6858' tp 6868'. .43" holes, 40 shots
				w/ 43" penetration. 4 shots/ft. All shots fired. No change after perforating
1430	1445	0.3	28	RD Excell
1445	1630	1.8	21	RU stripping head, PU seating nipple, Baker single set Horner. TIH w/ 214 jts
				tubing. Set packer @ 6754' KB. Bottom 6764' w/ 20000 # tension
1630	1645	0.3	28	RU swab
1645	1730	0.8	28	1st swab run. Set down on something hard at 4500'. Worked swab for
				45 mins. Would not go down. Pull swab. Found oil saver rubber caught
				in mandel. Recovered no fluid
				Shut well in; SDFN
Total Hours		11.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		18.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips	3	33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	8.5	126
Total	11.5	315.5

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$447,245
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$15,976
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$463,221

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	16	25	10/18/2004	Oct 18, 2004	Nov 3, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,393	8,393	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prepare to plug back well	Rig Fax: 254-241-5317	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO Crew
0700	0715	0.3	28	Start rig. TP= 0 psi, CP= 0 psi
0715	0815	1.0	28	1st swab run, FL= 6300' (last FL @ seating nipple 8110'), Rec 6 bbls, no gas
				2nd swab run, FL= 7700', Rec 2 bbls, no gas
0815	0845	0.5	28	Shut well in for 30 mins for fluid entry
0845	0900	0.3	28	3rd swab run, FL= 7800', Rec 1 bbl.
0900	0930	0.5	25	Shut well in for 30 mins for fluid entry
0930	1000	0.5	28	4th swab run, FL= 7800'. Rec no fluid, dry run
1000	1100	1.0	28	Shut well in for 60 mins for fluid entry
1100	1200	1.0	28	5th swab run, FL= 7600', Rec no fluid
				6th run, 3 short runs of 800', Rec no fluid
				Orders to perforate up hole
1200	1430	2.5	28	Unseat packer. Pulled 257 jts of tubing, standing back
1430	1645	2.3	28	WO Retreivable bridge plug.
1645	1800	1.3	28	PU 51/2" RBP. TIH with tubing and packer. Ran 60 jts of 2 7/8" tubing
				1958'.
				Shut well in SDFN
				Total fluid rec. = 9 bbls
				NEW TELEPHONE NUMBER = 254-241-5317
				Will perf 6858' - 5868' (10')
Total Hours		12.0		

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		18.75
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		30.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream	0.5	0.5
26. Well Control		
27. WOC		
28. Other	11.5	117.5
Total	12	304

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$441,871
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,374
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$447,245

DEC 03 2004

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	19	28	10/18/2004	Oct 18, 2004	Nov 6, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 254-241-5317	Toolpusher
Shutdown	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78'	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Status: Crew Boat Name: Status:
0600	0600			Shutdown Friday, Saturday & Sunday. Contractor personnel in Well Control School.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other		135
Total		327

Total Hours									
Rig Downtime		Fuel Usage			Bulk Material on Board			Previous Cost	$470,136
Daily		Daily		Bbls	Cement:		sx	Daily Cost	$860
Cum.		Cum.	801.5	Bbls	Barite:		sx	Cum. Cost	$470,996

DEC 03 2004

DIVISION OF OIL, GAS AND MINING

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	18	27	10/18/2004	Oct 18, 2004	Nov 5, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Swabbing	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0700	1.0	28	WO crew
0700	0715	0.3	28	Start rig. TP=0 psi, CP=0psi
0715	0730	0.3	28	Made 1st swab run. FL=6300' Made to 800' short runs. Drum sproket chain
				jumped off
0730	1000	2.5	15	Fix sproket chain
1000	1030	0.5	28	Finished pulling swab. Rec 2 bbls. Fluid. No gas
1030	1130	1.0	28	2nd run. FL=6300'. Rec. 1 bbl fluid. Fluid dark in color w/ trace of emulsion
1130	1230	1.0	28	Shut down for 1 hr
1230	1300	0.5	28	3rd swab run, FL=6300'. Rec. 1 bbl fluid
1300	1400	1.0	28	Shut down for 1 hr
1400	1500	1.0	28	4th run. FL= 6500'. Made two 800 ft short runs. No recovery. No gas
1500	1600	1.0	28	Shut down for 1 hr
1600	1630	0.5	28	5th run. FL= 6500' No fluid recovery
1630	1700	0.5	28	Shut down for 1/2 hr
1700	1730	0.5	28	6th swab run FL=6400'. Rec .5 bbl. Fluid very dark. Small amount of fines
				settles out of fluid. No gas
				Shut well in, Shut down for night
Total Hours		11.5		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	2.5	21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	9	135
Total	11.5	327

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$463,221
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$6,915
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$470,136

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	21	30	10/18/2004	Oct 18, 2004	Nov 8, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 254-241-5317	Toolpusher
Shutdown	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		10/18/2004	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			Shut down for safety training for rig crew

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other		135
Total		327

Total Hours		Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$471,856
		Daily		Daily	Bbls	Cement:	sx	Daily Cost	$860
		Cum.		Cum. 801.5	Bbls	Barite:	sx	Cum. Cost	$472,716

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	20	29	10/18/2004	Oct 18, 2004	Nov 7, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Shutdown	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Status: Crew Boat Name: Status:
0600	0600			Shut down for safety training for rig crew

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other		135
Total		327

Total Hours							
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$470,996
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$860
Cum.		Cum. 801.5	Bbls	Barite:	sx	Cum. Cost	$471,856

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	23	32	10/18/2004	Oct 18, 2004	Nov 10, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Swabbing 6858 - 68' perfs	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO Crew
0700	0715	0.3	28	Start rig. TP= 0 psi, CP 0 psi
0715	0815	1.0	28	RU swab. 1 st run. FL= 6000' Rec 4 bbls. Weak show of gas.
				2nd run, FL = 6400', Made 2 short runs, Rec 4 bbls of fluid, slight gas
0815	0915	1.0	28	Gas show while swabbing, SWI for 1 hr.
0915	1015	1.0	28	3rd swab run FL= 6500'. Made 2 short runs, well not gasing. No fluid
1015	1115	1.0	28	SWI for 1 hr.
1115	1145	0.5	28	4th run. FL= 6300'. Rec. 1 bbls.
1145	1245	1.0	28	SWI for 1 hr.
1245	1315	0.5	28	5th run, FL= 6500'. Well on a vacuum. Made 3 shc
1315	1415	1.0	28	SWI for 1 hr.
1415	1500	0.8	28	6th run. FL= 6400', Made 2 short runs. No recovery
1500	1600	1.0	28	SWI for 1 hr.
1600	1645	0.8	28	7th run. FL= 6400'. Made 3 short runs. Light gas blow. Recovered 1 bbl
1645	1700	0.3	28	Total recovered today 10 bbls. SWI, SDFN
Total Hours		11.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11	157.25
Total	11	349.25

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$479,792
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$5,517
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$485,309

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	22	31	10/18/2004	Oct 18, 2004	Nov 9, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
prepare to swab	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO crew
0700	0715	0.3	28	Start rig. TP= 0 psi, CP= 0 psi
0715	0745	0.5	28	Swab run FL = 3100'. Rec 4 bbls fluid. Chain slipping on sprocket
0745	0815	0.5	28	2nd swab run. FL=3100' Rec 7 bbls fluid made total 5 runs. FL=5800'
				on final run. Well not gasing
0815	1015	2.0	28	6th swab run. FL= 6000' well started to gas at end of swab run.
1015	1115	1.0	28	Made dry run. Light flare at end of run.
1115	1215	1.0	28	SDF 1 hr.
1215	1315	1.0	28	7th swab run. FL=6400'. Rec 1/2 bbl fluid. Flared gas. 1' 10 sec lite blow
1315	1415	1.0	28	SDF 1 hr.
1415	1445	0.5	28	8th swab run. FL=6400'. Well not gasing. Rec 1/2 bbls fluid
1445	1545	1.0	28	SDF 1 hr.
1545	1615	0.5	28	9th swab run FL= 6400', well on vacuum
1615	1645	0.5	28	SDF 1/2 hr
1645	1715	0.5	28	10th swab run. FL @ seating nipple. Made 3 - 800' short runs. No rec
				Shut well in, Installed TIW valve. SDFN
				Sent sample of recovered water and solid material recovered to BJ in
				Vernal for analysis and stimulation recommendations.
				Cactus Rose location will be worked on for completion rig move tomorrow
				AM. (Rani in forcast) Will rig down if rain does not require additional
				work on road or location tomorrow.
Total Hours		11.3		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11.25	146.25
Total	11.25	338.25

Rig Downtime		Fuel Usage			Bulk Material on Board			Previous Cost	$472,716
Daily		Daily		Bbls	Cement:		sx	Daily Cost	$7,076
Cum.		Cum.	801.5	Bbls	Barite:		sx	Cum. Cost	$479,792

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	25	34	10/18/2004	Oct 18, 2004	Nov 12, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 254-241-5317	Toolpusher
Prep to break down perfs	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO crew
0700	0715	0.3	28	Start rig. TP= 10 psi, CP=10 psi. Rig up swab
0715	0830	1.3	28	1st swab run. FL= 6300'. Well not gasing. Rec 2 bbls fluid
				2nd run. FL=6400'. 3 - 800' short runs. Rec 1 bbl fluid. No gas
0830	0845	0.3	28	SWI for 1 hr.
0845	1000	1.3	28	AT 0845 hrs. Orders to set packer and break down form
				perfs at 6858' - 68' w/ 6% KCL water and Halliburton A-19 Iron Chloride
				surfactant. LD 2 jts tubing. Set packer at 6764' w/ 20k tension
				RU rig pump to pump break down fluid.
1000	1430	4.5	28	WO A-19 material to be delivered
1430	1500	0.5	28	RU 2 7/8" swab. 3 rd swab run. FL=6300' Rec 1 bbl fluid. No gas
1500	1545	0.8	28	SWI for 45 min
1545	1615	0.5	28	4th swab run. FL=6400'. Made 3 short runs. Rec 1 bbl fluid. Well not gasing
1615	1700	0.8	28	SWI for 45 min
1700	1730	0.5	28	6th swab run. FL= 6400' Made 3 short runs. Rec. no fluid
				SWI SDFN Total fluid rec today 5 bbls

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11.5	179.75
Total	11.5	371.75

Total Hours	11.5						
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$490,826
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$5,565
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$496,391

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	24	33	10/18/2004	Oct 18, 2004	Nov 11, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Swabbing 6858 - 68' perfs	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$7,031

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name:	Status: Status:
0600	0700	1.0	28	WO Crew	
0700	0715	0.3	28	Start rig. TP= 0 psi, CP 0 psi	
0715	0815	1.0	28	RU swab. 1 st run. FL= 6000' Rec 4 bbls. Weak show of gas.	
				2nd run, FL = 6400', Made 2 short runs, Rec 4 bbls of fluid, slight gas	
0815	0915	1.0	28	Gas show while swabbing, SWI for 1 hr.	
0915	1015	1.0	28	3rd swab run FL= 6500'. Made 2 short runs, well not gasing. No fluid	
1015	1115	1.0	28	SWI for 1 hr.	
1115	1145	0.5	28	4th run. FL= 6300'. Rec. 1 bbls.	
1145	1245	1.0	28	SWI for 1 hr.	
1245	1315	0.5	28	5th run, FL= 6500'. Well on a vacuum. Made 3 shc	
1315	1415	1.0	28	SWI for 1 hr.	
1415	1500	0.8	28	6th run. FL= 6400', Made 2 short runs. No recovery	
1500	1600	1.0	28	SWI for 1 hr.	
1600	1645	0.8	28	7th run. FL= 6400'. Made 3 short runs. Light gas blow. Recovered 1 bbl	
1645	1700	0.3	28	Total recovered today 10 bbls. SWI, SDFN	
Total Hours		11.0			

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11	168.25
Total	11	360.25

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$485,309
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,517
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$490,826

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	27	36	10/18/2004	Oct 18, 2004	Nov 14, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Shutdown for Sunday	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO Crew
0700	0715	0.3	28	Start rig. TP = vacuum
0715	0800	0.8	28	1st run FL= 5900', Rec 5 bbls of black fluid. No gas, 2nd run FL=6500'
				Rec 1 bbl of lt. black fluid
0800	0900	1.0	28	SWI for 1 hr
0900	0915	0.3	28	3rd run. FL= 6500' No fluid rec
0915	1015	1.0	28	SWI for 1 hr
1015	1030	0.3	28	4th run.FL= 6500', Rec 1 bbl reddish brown fluid.
1030	1130	1.0	28	SWI for 1 hr
1130	1145	0.3	28	5th run FL= 6600', Rec no fluid. No gas
1145	1245	1.0	28	SWI for 1 hr
1245	1300	0.3	28	6th run FL= 6400' Rec 1 bbl of reddish brown fluid. No gas
1300	1400	1.0	28	SWI for 1 hr
1400	1415	0.3	28	7th run. FL= 6500' . Made 3 short runs. Rec 1 bbl No gas
1415	1515	1.0	28	SWI for 1 hr
1515	1530	0.3	28	8th run. FL= 6600' Made 3 short runs. No fluid rec. No gas
1530	1630	1.0	28	SWI for 1 hr
1630	1700	0.5	28	9th run FL= 6500'. Made 3 short runs. Rec 1 bbl, No gas. Sample for
				analysis taken. Light red brown Total fluid recovered today = 10 bbls
				SWI SDFN
Total Hours		11.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11	202.5
Total	11	394.5

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$511,213
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$5,136
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$516,349

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	26	35	10/18/2004	Oct 18, 2004	Nov 13, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Swabbing back break down fluid, perfs 6858-68'	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT					#3	#4	Desilt	Mud Cl	Mike Welker		Anchor
									Daily Cost $9,316		Cumulative Cost $16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0700	1.0	28	WO Crew
0700	0715	0.3	28	Start rig. TP=0 psi, CP = 0 psi, Halliburton on location w/ 19 A chem.
0715	0830	1.3	28	Start rig pump to mix 19A chem w/ 6% KCL. Circ. For 30 min
0830	0845	0.3	28	1st swab run. FL=6300', Rec 2bbls, 2nd run FL=6400' Dry run
0845	0930	0.8	28	LD swab. RU 2" line on 2 7/8" tubing. Start pumping 6% KCL/19A down
				tubing @ 5 bpm. TP = 100 psi. Pumped 32 bbls. TP = 800 psi
				Dec rate to 2 bpm. TP dec., then inc. to 1700 psi. @ 41 bbls, press. Broke
				to 1500 psi. @ 2 bpm, pumped 50 bbls. Pressure dropped to 1200 psi
				Inc rate to 3 bpm pressure inc to 1200 psi. Pumped 31 bbls into formation
				Total pumped 71 bbls.load fluid
				ISIP- 500 psi, 5 min SIP = 400 psi, 10 min SIP = 300 psi, 0.52 apparent gradie
0930	1000	0.5	28	Shut TIW valve, RD 2 " line. RU 2" line to tank. Open TIW valve. Well flowed
				back13 bbls of load fluid.
1000	1100	1.0	28	RU swab. 1st run. FL= 0'. Rec 13 bbls. 2nd run FL= 1500', rec 9 bbls
				3rd run, FL=2500' Rec 9 bbls. 4th run FL=1200'. Rec 10 bbls. Swabbed fluid
				turned black. Changed flowback to pit. Rec 44 bbls to tank.
1100	1200	1.0	28	5th run. FL= 3700', Rec 10 bbls black fluid. No gas. 6th run FL= 4000' Rec
				7 bbls black fluid. @ this point 71 bbls recovered = load bolume
1200	1230	0.5	28	SWI for 30 min
1230	1300	0.5	28	7th run. FL=5000' Rec 5 bbls foamy, dark black Calcium Chloride water
1300	1400	1.0	28	8th run FL= 5000', Rec 4 bbls reddish colored fluid. 9th run FL= 5500'
				Rec. 2 bbls.
				11th run. FIL=6600', Made 3 short runs. Rec 1 bbl reddish fluid
1400	1500	1.0	28	SWI for 1 hr. for fluid entry
1500	1545	0.8	28	12 th run. FL= 6400'. Made 3 short runs Rec 1 bbl. No gas
1545	1645	1.0	28	SIW for 1 hr for fluid entry
1645	1715	0.5	28	13 th run FL= 6300'. Rec 1 bbl. No gas
1715	1745	0.5	28	LD swab. SWI. SDFN
				Total load pumped 71 bbls. Rec. 71 bbls load plus 19 bbls of formation H2O
				Total fluid red = 90 bbls
Total Hours		11.8		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11.75	191.5
Total	11.75	383.5

Rig Downtime		Fuel Usage		Bulk Material on Board			
Daily		Daily	Bbls	Cement:	sx	Previous Cost	$496,391
Cum.		Cum.	801.5 Bbls	Barite:	sx	Daily Cost	$14,822
						Cum. Cost	$511,213

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leed Energy #692	29	38	10/18/2004	Oct 18, 2004	Nov 16, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone: 254-241-5317	Toolpusher
Moving Leed #692 to CR #2-1	Rig Fax:	Allen Cermack

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB 15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	28	WO crews. 0 psi on tubing & casing.
0700	0830	1.5	28	RU Swab. Tag fluid @ 5400'. Reocovered 6 bbls fluid.
				Run #2. Tag fluid @ 6000'. Recovered 2 bbls. No gas
0830	0930	1.0	28	SI well
0930	1000	0.5	28	Run #3. Tag fluid @ 6300'. Recovered 1 bbls. Light blow gas. Took sample.
1000	1100	1.0	28	SI well
1100	1130	0.5	28	Run #4. Tag fluid @ 6400'. Made 3 short runs. No fluid. No gas.
1130	1230	1.0	28	SI well
1230	1300	0.5	28	Run #5. Tag fluid @ 6300'. Recovered 1 bbl light black fluid. No gas.
1300	1400	1.0	28	SI well
1400	1430	0.5	28	Run #6. Tag fluid @ 6400'. Made 3 short runs. No fluid. No gas.
1430	1530	1.0	28	SI well
1530	1600	0.5	28	Run #7. Tag fluid @ 6600'. No fluid. No gas.
1600	1700	1.0	28	SI well
1700	1715	0.3	28	Run #8. Tag fluid @ 6500'. No fluid. No gas.
1715	1730	0.3	28	LD Swab. SI Well & SDFN
				Total fluid recovered 10 bbls
Total Hours		11.5		

Time Summary

Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	11.5	214
Total	11.5	406

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$517,904
Daily		Daily		Bbls	Cement:	sx	Daily Cost	$5,691
Cum.		Cum.	801.5	Bbls	Barite:	sx	Cum. Cost	$523,595

PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leede Energy #692	28	37	10/18/2004	Oct 18, 2004	Nov 15, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Prep. To swab	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0600			
Total Hours				

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		21.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other		202.5
Total		394.5

Rig Downtime		Fuel Usage			Bulk Material on Board			Previous Cost	$516,349
Daily		Daily		Bbls	Cement:		sx	Daily Cost	$1,555
Cum.		Cum.	801.5	Bbls	Barite:		sx	Cum. Cost	$517,904

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PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leed Energy #692	31	40	10/18/2004	Oct 18, 2004	Nov 18, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
Well SI	254-241-5317	
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15 ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			Packer is set @ 6750'
				Person(s) unknown attempted to steal flow manifold during night. Failed.
				Then opened valve on frac tank. Approximately 1000 gal 6% KCL spilled on
				ground.
				64 jts of 2 7/8" tubing left on location when rig moved out.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair		23.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other		217.25
Total		411.25

Total Hours							
Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$526,775
Daily		Daily	Bbls	Cement:	sx	Daily Cost	
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$526,775

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43-019-31401

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PPI Technology Services

MSC Exploration
Daily Completion Report

Block, Lease and Well No.	Contract Rig	DOL	DFC	Date on Location	Comp. Date	Report Date
N. Thompson - State MSC #16-1	Leed Energy #692	30	39	10/18/2004	Oct 18, 2004	Nov 17, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,163	8,163	PBTD		$350,000	8,700'	Norm Woods

Present Operation	Rig Phone:	Toolpusher
SI Well and Wait on Stimulation Treatment	254-241-5317	Allen Cermack
	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☑ No	LC50 Sample Date	Operator		10/18/2004	RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	DV Tool MD	DV Tool TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			
Production	5 1/2"	17	L80	LTC	196	8,690'	8,690'	5,512'	5,512'	8.9			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length: 131.78' Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT									Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$16,347

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0700	1.0	28	WO crew and welder
0700	0715	0.3	28	Start rig. TP=0 psi, CP= 0 psi
0715	0815	1.0	28	Made 2 swab runs. Rec 4 bbls fluid on first run. No fluid on 2nd
0815	0915	1.0	28	Rig down for move to Cactus Rose 2-1.
0915	1115	2.0	15	Welder arrived on location. Repair rig.
				Move off location
Total Hours		5.3		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		74
2. Cement		7.5
3. Circulate		19.25
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		0.5
12. P.U./L.D. BHA		3
13. P.U./L.D. Pipe		13.25
14. R/U; R/D		10
15. Rig Repair	2	23.25
16. Run Casing		8.5
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		33.75
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		0.5
25. Wash & Ream		0.5
26. Well Control		
27. WOC		
28. Other	3.25	217.25
Total	5.25	411.25

Rig Downtime		Fuel Usage		Bulk Material on Board		Previous Cost	$523,595
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$3,180
Cum.		Cum.	801.5 Bbls	Barite:	sx	Cum. Cost	$526,775

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DEC 03 2004

DIV. OF OIL, GAS & MINING

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	3		4/27/2004		Apr 30, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
SD - WO Permit Approval	Rig Fax:	David Wilcox

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

IATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			Finish building location and digging reserved pit. Will wait until getting permit approval to line the reserve pit. RDMO Neilson Construction. WO permit approval.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

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Total Hours					
Rig Downtime		Fuel Usage		Material on Board		Previous Cost	$2,463
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$13,000
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost	$15,463

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43-019-31401

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	1		4/27/2004		Apr 28, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
Building Location	Rig Fax:	David Wilcox

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Status: Crew Boat Name: Status:
0600	0600			MIRU Neilson Construction. Building location and digging reserve pit.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

Total Hours					
Rig Downtime		Fuel Usage		Material on Board		Previous Cost	
Daily		Daily	Bbls	Cement:	sx	Daily Cost	$1,963
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost	$1,963

CONFIDENTIAL

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	5		4/27/2004		May 2, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
WO Permit	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

IATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			
				WO Permit

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

RECEIVED
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DIV. OF OIL, GAS & MINING

Total Hours					
Rig Downtime		Fuel Usage		Material on Board		Previous Cost	$15,463
Daily		Daily	Bbls	Cement:	sx	Daily Cost	
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost	$15,463

T21S R20E S-16
43-019-31401

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	4		4/27/2004		May 1, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
SD - WO Permit	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens		Hours		Mud Engineer		Mud Company
PIT					#1	#2	Desand	Cent.			
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name:	Status: Status:
0600	0600				
				WO permit.	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

Total Hours					
Rig Downtime		Fuel Usage		terial on Board	
Daily		Daily	Bbls	Cement:	sx
Cum.		Cum.	Bbls	Barite:	sx

Previous Cost	$15,463
Daily Cost	
Cum. Cost	$15,463

PPI Technology Services

MSC Exploration
Daily Drilling Report

CONFIDENTIAL

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	7		4/27/2004		May 4, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
Waiting on permit	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600			
				WO permit

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

RECEIVED
DEC 13 2004
DIV OF OIL, GAS & MINING

Total Hours					
Rig Downtime		Fuel Usage		eterial on Board	
Daily		Daily	Bbls	Cement:	sx
Cum.		Cum.	Bbls	Barite:	sx

Previous Cost	$15,463
Daily Cost	
Cum. Cost	$15,463

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	6		4/27/2004		May 3, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
Waiting on permit.	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Deslit	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0600			
				WO permit

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

Total Hours							
Rig Downtime		Fuel Usage		Material on Board		Previous Cost	$15,463
Daily		Daily	Bbls	Cement:	sx	Daily Cost	
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost	$15,463

CONFIDENTIAL

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	9		4/27/2004		May 6, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
Waiting on rathole rig	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1										1/4				
2										1/2				
										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name:	Status: Status:
0600	0600			Verbal permit approval given. WO rathole rig.	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

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DEC 13 2004
DIV. OF OIL, GAS & MINING

Total Hours					
Rig Downtime		Fuel Usage		Material on Board	Previous Cost $15,463
Daily		Daily	Bbls	Cement: sx	Daily Cost
Cum.		Cum.	Bbls	Barite: sx	Cum. Cost $15,463

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	8		4/27/2004		May 5, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
Waiting on permit	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens		Hours		Mud Engineer		Mud Company
PIT					#1	#2	Desand	Cent.			
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Status: Crew Boat Name: Status:
0600	0600			
				WO permit

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

Total Hours							
Rig Downtime		Fuel Usage		Material on Board		Previous Cost	$15,463
Daily		Daily	Bbls	Cement:	sx	Daily Cost	
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost	$15,463

PPI Technology Services

MSC Exploration
Daily Drilling Report

CONFIDENTIAL

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	22	6	4/27/2004	May 13, 2004	May 19, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
505	505	308				Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Installing Casinghead	Rig Fax:	Conrad Kinney

Current Weather	MMS Visit	NPDES	People on Loc.:	BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		RKB	15	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service		RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
1	12 1/4	C623G		Air Hammer	100'	405'	9	4000	50	45.0			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	Air Compressor	2500			250					1/4				
2										1/2				
										3/4				

BHA

Length:

Description: hammer bit 12.25 (.44') , hammer (6.27), bell sub 92.3'), 15 -6" dc (.453.10')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$555		$1,330

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE
460	460	2.00 °						

ATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1000	4.0	5	Air drilling to 505' MD
1000	1030	0.5	3	Cleaning hole
1030	1100	0.5	20	Survey @ 460' - 2 deg.
1100	1200	1.0	21	POH w/ 4 stands. Hole clean - no problems
1200	1400	2.0	3	Cleaning hole prior to run casing
1400	1530	1.5	12	LD air hammer and tools
1530	1600	0.5	16	RU T & M Casers casing crews.
1600	1730	1.5	2	WO BJ Cementing Crews & equipment. Called for @ 1000 hrs
1730	1900	1.5	16	Run 12 jts. Of 8-5/8", 24.0 #/ft., J55, STC casing to 505'.
1900	2200	3.0	2	RU BJ Cementing. Held safety meeting, circulate and cement w/ 367 sxs
				of Class G, 2% Cacl2, 1/4# celo @ 600 psi
2200	0400	6.0	27	Waiting on cement
0400	0600	2.0	11	Cut 16" and 8-5/8". RU and installing Cooper Cameron 8-5/8" SO x 11",
				3M casinghead
				Mark Jones w/ Dept. of Natural Resources notified on 8-5/8" cementing
				and BOP testing today. OK
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement	4.5	4.5
3. Circulate	2.5	2.5
4. Directional Work		
5. Drilling	4	39
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		0.75
11. N.U./ N.D.	2	2
12. P.U./L.D. BHA	1.5	3.75
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing	2	2
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey	0.5	1.5
21. Trips	1	1
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC	6	6
28. Other		
Total	24	79

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

Rig Downtime		Fuel Usage			Material on Board		Previous Cost	$110,340
Daily		Daily	533	Gals	Cement:	sx	Daily Cost	$23,355
Cum.		Cum.	533	Gals	Barite:	sx	Cum. Cost	$133,695

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	10		4/27/2004		May 7, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative

Present Operation	Rig Phone:	Toolpusher
WO rathole	Rig Fax:	

Current Weather	MMS Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator			RKB	ft
Seas:	Incs? ☐ Yes		Contractor	Next BOP Test Date		Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1										1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

IATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Status: Crew Boat Name: Status:
0600	0600			
				WO rathole rig.

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		
2. Cement		
3. Circulate		
4. Directional Work		
5. Drilling		
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		
11. N.U./ N.D.		
12. P.U./L.D. BHA		
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		
16. Run Casing		
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		
21. Trips		
22. Tst. BOPs		
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		
28. Other		
Total		

Total Hours					
Rig Downtime		Fuel Usage		Eterial on Board		Previous Cost $15,463
Daily		Daily	Bbls	Cement:	sx	Daily Cost
Cum.		Cum.	Bbls	Barite:	sx	Cum. Cost $15,463

CONFIDENTIAL

MORNING REPORT

DATE 20 MAY, 2004

COMPANY & WELL MSC . STATE MSC 16-1 NE/NE SEC 16 T21S R20E GRAND UTAH

06:00 AM PRESENT ACTIVITY WAIT ON NEW BOOSTER FOR AIR DRILLING

DEPTH TODAY 937' YESTERDAYS DEPTH 505' FT/24 Hr 432'

FORMATION NOW DRILLING IN MANCOS SHALE

FORMATION TOPS

PROJECTED FORMATION TOPS DAKOTA SAND 2854'

BACKGROUND GAS 1 TRIP GAS NA AT , AT

CONNECTION GAS NIL DOWN TIME GAS NIL

GAS SHOWS AND DRILLING BREAKS

DEPTH	ROP	PEAK	BG GAS	C_1	C_2	C_3	C_4	Other
NO	SHOWS							

LITHOLOGY 100% SHALE: gy-m gy,sbblky,rthy,frm,calc

Sample quality fair with air drilling Weather conditions 65 Deg calm

BITS & TRIPS BIT # 2 7 7/8" MARQUIS HAMMER
WOB 8-10 RPM 60 PP 350 SPM LAG 5 MIN@ 900' FEET
MUD AT AIR WT VIS WL PH CL HARD
SURVEYS

Remarks MUD LOGGERS ON LOCATION.. RIGGED UP 5/19/04 17:00 HRS DRILLING CEMENT DRILL TO 937' BOOSTER BLEW HEAD GASKET..WAIT ON NEW BOOSTER

```
*head
*101 "OPERATOR" "MSC EXPOLORATION"
*102 "WELL" "STATE MSC 16-1"
*103 "LOCATION" "SEC 16 T21S R20E"
*104 "COUNTY" "GRAND"
*105 "STATE" "UTAH"
*106 "SPOT" "NE/NE 1270 FNL  800 FEL"
*107 "ELEVATION" "GL; 5254'  KB 5271'"
*108 "FIELD" ""
*201 "SPUD DATE" "5/17/04"
*202 "TD DATE" ""
*203 "DATES LOGGED" "5/19/04 to"
*204 "DEPTHS LOGGED" "500' to     td"
*205 "LOGGERS" "SPENCER/TONNSEN"
*206 "DRILLING FLUID" "AIR TO"
*207 "DRILLING RIG" "UNION # 7"
*208 "" ""
*endh
*comm   501.04 0.754 0.000  0  0 "PASON SYSTEMS USA ~EDR/AL/HIGH SPEED~GAS
CHROMATOGRAPH~ON LOCATION AND RIGGED~UP 17:00 HRS~5/19/04"
*comm   508.14 0.000 0.000  0  0 "BIT # 2~MARQUIS~HAMMER~7 7/8"~IN AT 505'"
*comm   519.02 0.756 0.000  0  0 "SET 8 5/8" SURFACE CASING~AT 505'- 12 JOINTS-J 55
24#"
*comm   519.49 0.520 0.000  0  0 "DRILLING~WITH~AIR~VERY~POOR~SAMPLES"
*comm   554.03 0.090 0.000  0  0 "WOB 8~RPM 60~AIR"
*comm   928.25 0.114 0.000  0  0 "5-20-04"
*comm   936.76 0.757 0.000  0  0 "DRILL TO 937'~BLEW UP BOOSTER~WAIT ON NEW BOOSTER"
*rops   500.00 0.00 1.00 0
*rops   600.00 0.00 1.00 0
*rops   800.00 0.00 1.00 0
*gass   500.00 0.00 100.00 0
*gass   600.00 0.00 100.00 0
*gass   800.00 0.00 100.00 0
*cmps   600.00 0.00 10000.00 0
*cmps   800.00 0.00 10000.00 0
*lith   514.00   600.00   573.75  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   622.55   622.55   623.49  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   673.02   673.02   673.02  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   724.14   724.14   724.14  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   772.10   772.10   773.99  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   824.38   824.38   824.38  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   874.23   874.23   874.23  0 "SH: m-dk gy,sbblky,rthy,frm,calc"
*lith   915.11   915.11   915.11  0 "SH: m-dk gy,sbblky,rthy,frm,calc,slty"
*nlit   505.00   600.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   600.00   650.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   650.00   700.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   700.00   750.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   750.00   800.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   800.00   850.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   850.00   900.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*nlit   900.00   937.00  2 100 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1 0 -1
0 -1 0 -1 0 -1 0
*ilit   505.00   938.00  2
*ilit   938.00  1000.00  2
*esym   503.54    0.268 22
*esym   503.65    0.248 2
```

```
*esym    503.88    0.318 3
*esym    533.58    0.268 22
*esym    563.49    0.268 22
*esym    595.56    0.268 22
*esym    624.70    0.268 22
*esym    656.42    0.268 22
*esym    687.41    0.268 22
*esym    718.72    0.268 22
*esym    750.81    0.268 22
*esym    781.26    0.268 22
*esym    812.25    0.268 22
*esym    844.38    0.268 22
*esym    875.00    0.270 22
*esym    905.88    0.270 22
*esym    928.25    0.159 21
*esym    936.40    0.270 22
*endf
```

```
1
16-1.crv
1
16-1.txt
0 0
1
1.000000
1.000000
1
DST INTERVAL
CORE RECOVERED
CORE LOST
HISTOGRAM
logo.bmp
0
0.000000 0.000000
0.000000 0.000000
0.000000 0.000000
0 0
240.000000
490.000000 1000.000000
1
1
0
golden.cod
1
1
0
0
1
0
CORE RECOVERED
CORE LOST
DST INTERVAL
ROTATING
SLIDING
CANISTER
MUD LOG
MUDLOG.FMT
 0 0 0 0 0 0 0 0
 1 4 1 1 1 1 1 1
```

502.00	-9999.000	0.00	0	0	0	0	0	0	0.000	0.00
503.00	-9999.000	0.00	0	0	0	0	0	0	0.000	0.00
504.00	-9999.000	0.00	0	0	0	0	0	0	0.000	0.00
505.00	-9999.000	0.00	0	0	0	0	0	0	0.000	0.00
506.00	0.300	0.01	0	0	0	0	0	0	0.000	0.00
507.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
508.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
509.00	0.567	0.01	0	0	0	0	0	0	0.000	0.00
510.00	0.600	0.01	0	0	0	0	0	0	0.000	0.00
511.00	0.600	0.01	0	0	0	0	0	0	0.000	0.00
512.00	0.567	0.01	0	0	0	0	0	0	0.000	0.00
513.00	0.533	0.01	0	0	0	0	0	0	0.000	0.00
514.00	0.400	0.01	0	0	0	0	0	0	0.000	0.00
515.00	0.300	0.01	0	0	0	0	0	0	0.000	0.00
516.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
517.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
518.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
519.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
520.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
521.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
522.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
523.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
524.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
525.00	0.633	0.01	0	0	0	0	0	0	0.000	0.00
526.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
527.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00
528.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
529.00	0.500	0.01	0	0	0	0	0	0	0.000	0.00

530.00	1.080	0.01	0	0	0	0	0	0	0.000	0.00
531.00	0.233	0.01	0	0	0	0	0	0	0.000	0.00
532.00	0.200	0.01	0	0	0	0	0	0	0.000	0.00
533.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
534.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
535.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
536.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
537.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
538.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
539.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
540.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
541.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
542.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
543.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
544.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
545.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
546.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
547.00	0.400	0.01	0	0	0	0	0	0	0.000	0.00
548.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
549.00	0.400	0.01	0	0	0	0	0	0	0.000	0.00
550.00	0.400	0.01	0	0	0	0	0	0	0.000	0.00
551.00	0.433	0.01	0	0	0	0	0	0	0.000	0.00
552.00	0.467	0.01	0	0	0	0	0	0	0.000	0.00
553.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
554.00	0.400	0.01	0	0	0	0	0	0	0.000	0.00
555.00	0.333	0.01	0	0	0	0	0	0	0.000	0.00
556.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00
557.00	0.367	0.01	0	0	0	0	0	0	0.000	0.00

558.00	0.367	0.01	0	0	0	0	0	0	0.000
559.00	0.433	0.01	0	0	0	0	0	0	0.000
560.00	0.267	0.01	0	0	0	0	0	0	0.000
561.00	0.333	0.01	0	0	0	0	0	0	0.000
562.00	0.330	0.01	0	0	0	0	0	0	0.000
563.00	0.333	0.01	0	0	0	0	0	0	0.000
564.00	0.300	0.01	0	0	0	0	0	0	0.000
565.00	0.333	0.01	0	0	0	0	0	0	0.000
566.00	0.367	0.01	0	0	0	0	0	0	0.000
567.00	0.367	0.01	0	0	0	0	0	0	0.000
568.00	0.300	0.01	0	0	0	0	0	0	0.000
569.00	0.367	0.01	0	0	0	0	0	0	0.000
570.00	0.333	0.01	0	0	0	0	0	0	0.000
571.00	0.367	0.01	0	0	0	0	0	0	0.000
572.00	0.333	0.01	0	0	0	0	0	0	0.000
573.00	0.100	0.01	0	0	0	0	0	0	0.000
574.00	0.167	0.01	0	0	0	0	0	0	0.000
575.00	0.467	0.01	0	0	0	0	0	0	0.000
576.00	0.300	0.01	0	0	0	0	0	0	0.000
577.00	0.533	0.01	0	0	0	0	0	0	0.000
578.00	0.333	0.01	0	0	0	0	0	0	0.000
579.00	0.367	0.01	0	0	0	0	0	0	0.000
580.00	0.333	0.01	0	0	0	0	0	0	0.000
581.00	0.333	0.01	0	0	0	0	0	0	0.000
582.00	0.300	0.01	0	0	0	0	0	0	0.000
583.00	0.333	0.01	0	0	0	0	0	0	0.000
584.00	0.333	0.01	0	0	0	0	0	0	0.000
585.00	0.300	0.01	0	0	0	0	0	0	0.000

586.00	0.333	0.01	0	0	0	0	0	0	0.000
587.00	0.333	0.01	0	0	0	0	0	0	0.000
588.00	0.333	0.01	0	0	0	0	0	0	0.000
589.00	0.367	0.01	0	0	0	0	0	0	0.000
590.00	0.333	0.01	0	0	0	0	0	0	0.000
591.00	0.367	0.01	0	0	0	0	0	0	0.000
592.00	0.333	0.01	0	0	0	0	0	0	0.000
593.00	0.333	0.01	0	0	0	0	0	0	0.000
594.00	0.333	0.01	0	0	0	0	0	0	0.000
595.00	0.400	0.01	0	0	0	0	0	0	0.000
596.00	0.333	0.01	0	0	0	0	0	0	0.000
597.00	0.333	0.01	0	0	0	0	0	0	0.000
598.00	0.333	0.01	0	0	0	0	0	0	0.000
599.00	0.367	0.01	0	0	0	0	0	0	0.000
600.00	0.333	0.01	0	0	0	0	0	0	0.000
601.00	0.733	0.01	0	0	0	0	0	0	0.000
602.00	0.033	0.01	0	0	0	0	0	0	0.000
603.00	0.330	0.01	0	0	0	0	0	0	0.000
604.00	0.300	0.01	0	0	0	0	0	0	0.000
605.00	0.300	0.01	0	0	0	0	0	0	0.000
606.00	0.167	0.01	0	0	0	0	0	0	0.000
607.00	0.300	0.01	0	0	0	0	0	0	0.000
608.00	0.300	0.01	0	0	0	0	0	0	0.000
609.00	0.333	0.01	0	0	0	0	0	0	0.000
610.00	0.333	0.01	0	0	0	0	0	0	0.000
611.00	0.333	0.01	0	0	0	0	0	0	0.000
612.00	0.333	0.01	0	0	0	0	0	0	0.000
613.00	0.300	0.01	0	0	0	0	0	0	0.000

614.00	0.333	0.01	0	0	0	0	0	0	0.000
615.00	0.333	0.01	0	0	0	0	0	0	0.000
616.00	0.333	0.01	0	0	0	0	0	0	0.000
617.00	0.333	0.01	0	0	0	0	0	0	0.000
618.00	0.333	0.01	0	0	0	0	0	0	0.000
619.00	0.300	0.01	0	0	0	0	0	0	0.000
620.00	0.333	0.01	0	0	0	0	0	0	0.000
621.00	0.333	0.01	0	0	0	0	0	0	0.000
622.00	0.367	0.01	0	0	0	0	0	0	0.000
623.00	0.367	0.01	0	0	0	0	0	0	0.000
624.00	0.367	0.01	0	0	0	0	0	0	0.000
625.00	0.433	0.01	0	0	0	0	0	0	0.000
626.00	0.267	0.01	0	0	0	0	0	0	0.000
627.00	0.333	0.01	0	0	0	0	0	0	0.000
628.00	0.333	0.01	0	0	0	0	0	0	0.000
629.00	0.323	0.01	0	0	0	0	0	0	0.000
630.00	0.323	0.01	0	0	0	0	0	0	0.000
631.00	0.323	0.01	0	0	0	0	0	0	0.000
632.00	0.367	0.01	0	0	0	0	0	0	0.000
633.00	0.367	0.01	0	0	0	0	0	0	0.000
634.00	0.300	0.01	0	0	0	0	0	0	0.000
635.00	0.367	0.01	0	0	0	0	0	0	0.000
636.00	0.333	0.01	0	0	0	0	0	0	0.000
637.00	0.367	0.01	0	0	0	0	0	0	0.000
638.00	0.333	0.01	0	0	0	0	0	0	0.000
639.00	0.100	0.01	0	0	0	0	0	0	0.000
640.00	0.167	0.01	0	0	0	0	0	0	0.000
641.00	0.467	0.01	0	0	0	0	0	0	0.000

642.00	0.300	0.01	0	0	0	0	0	0	0.000
643.00	0.533	0.01	0	0	0	0	0	0	0.000
644.00	0.333	0.01	0	0	0	0	0	0	0.000
645.00	0.367	0.01	0	0	0	0	0	0	0.000
646.00	0.333	0.01	0	0	0	0	0	0	0.000
647.00	0.333	0.01	0	0	0	0	0	0	0.000
648.00	0.300	0.01	0	0	0	0	0	0	0.000
649.00	0.333	0.01	0	0	0	0	0	0	0.000
650.00	0.333	0.01	0	0	0	0	0	0	0.000
651.00	0.300	0.01	0	0	0	0	0	0	0.000
652.00	0.333	0.01	0	0	0	0	0	0	0.000
653.00	0.333	0.01	0	0	0	0	0	0	0.000
654.00	0.333	0.01	0	0	0	0	0	0	0.000
655.00	0.367	0.01	0	0	0	0	0	0	0.000
656.00	0.333	0.01	0	0	0	0	0	0	0.000
657.00	0.367	0.01	0	0	0	0	0	0	0.000
658.00	0.333	0.01	0	0	0	0	0	0	0.000
659.00	0.333	0.01	0	0	0	0	0	0	0.000
660.00	0.333	0.01	0	0	0	0	0	0	0.000
661.00	0.400	0.01	0	0	0	0	0	0	0.000
662.00	0.333	0.01	0	0	0	0	0	0	0.000
663.00	0.333	0.01	0	0	0	0	0	0	0.000
664.00	0.333	0.01	0	0	0	0	0	0	0.000
665.00	0.367	0.01	0	0	0	0	0	0	0.000
666.00	0.333	0.01	0	0	0	0	0	0	0.000
667.00	0.733	0.01	0	0	0	0	0	0	0.000
668.00	0.033	0.01	0	0	0	0	0	0	0.000
669.00	0.333	0.01	0	0	0	0	0	0	0.000

670.00	0.300	0.01	0	0	0	0	0	0	0.000
671.00	0.320	0.01	0	0	0	0	0	0	0.000
672.00	0.167	0.01	0	0	0	0	0	0	0.000
673.00	0.300	0.01	0	0	0	0	0	0	0.000
674.00	0.300	0.01	0	0	0	0	0	0	0.000
675.00	0.333	0.01	0	0	0	0	0	0	0.000
676.00	0.333	0.01	0	0	0	0	0	0	0.000
677.00	0.333	0.01	0	0	0	0	0	0	0.000
678.00	0.333	0.01	0	0	0	0	0	0	0.000
679.00	0.300	0.01	0	0	0	0	0	0	0.000
680.00	0.333	0.01	0	0	0	0	0	0	0.000
681.00	0.333	0.01	0	0	0	0	0	0	0.000
682.00	0.333	0.01	0	0	0	0	0	0	0.000
683.00	0.333	0.01	0	0	0	0	0	0	0.000
684.00	0.333	0.01	0	0	0	0	0	0	0.000
685.00	0.300	0.01	0	0	0	0	0	0	0.000
686.00	0.333	0.01	0	0	0	0	0	0	0.000
687.00	0.333	0.01	0	0	0	0	0	0	0.000
688.00	0.300	0.01	0	0	0	0	0	0	9999.000
689.00	0.167	0.01	0	0	0	0	0	0	9999.000
690.00	0.067	0.01	0	0	0	0	0	0	9999.000
691.00	0.367	0.01	0	0	0	0	0	0	9999.000
692.00	0.300	0.01	0	0	0	0	0	0	9999.000
693.00	0.300	0.01	0	0	0	0	0	0	9999.000
694.00	0.300	0.01	0	0	0	0	0	0	9999.000
695.00	0.300	0.01	0	0	0	0	0	0	9999.000
696.00	0.300	0.01	0	0	0	0	0	0	9999.000
697.00	0.300	0.01	0	0	0	0	0	0	9999.000

698.00	0.267	0.01	0	0	0	0	0	9999.000	-9999.00
699.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
700.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
701.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
702.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
703.00	0.267	0.01	0	0	0	0	0	9999.000	-9999.00
704.00	0.417	0.01	0	0	0	0	0	9999.000	-9999.00
705.00	0.200	0.01	0	0	0	0	0	9999.000	-9999.00
706.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
707.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
708.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
709.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
710.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
711.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
712.00	0.367	0.01	0	0	0	0	0	9999.000	-9999.00
713.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
714.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
715.00	0.367	0.01	0	0	0	0	0	9999.000	-9999.00
716.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
717.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
718.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
719.00	0.700	0.01	0	0	0	0	0	9999.000	-9999.00
720.00	0.067	0.01	0	0	0	0	0	9999.000	-9999.00
721.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
722.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
723.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
724.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
725.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00

726.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
727.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
728.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
729.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
730.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
731.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
732.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
733.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
734.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
735.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
736.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
737.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
738.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
739.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
740.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
741.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
742.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
743.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
744.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
745.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
746.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
747.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
748.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
749.00	0.333	0.01	0	0	0	0	0	9999.000	-9999.00
750.00	0.633	0.01	0	0	0	0	0	9999.000	-9999.00
751.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
752.00	0.300	0.01	0	0	0	0	0	9999.000	-9999.00
753.00	0.267	0.01	0	0	0	0	0	9999.000	-9999.00

754.00	0.300	0.01	0	0	0	0	0	0	9999.000	-9999.00
755.00	0.300	0.01	0	0	0	0	0	0	9999.000	-9999.00
756.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
757.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
758.00	1.033	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
759.00	0.367	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
760.00	0.267	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
761.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
762.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
763.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
764.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
765.00	0.267	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
766.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
767.00	0.300	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
768.00	0.333	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
769.00	0.333	-9999.00	-9999	-9999	-9999	-9999	0	0	-9999.000	-9999.00
770.00	0.333	1.61	158	0	0	1	1	386	-9999.000	-9999.00
771.00	0.333	1.61	158	0	0	1	1	386	-9999.000	-9999.00
772.00	0.333	1.72	169	0	0	1	1	386	-9999.000	-9999.00
773.00	0.333	1.72	169	0	0	1	1	386	-9999.000	-9999.00
774.00	0.300	1.93	190	0	0	1	1	386	-9999.000	-9999.00
775.00	0.333	1.93	190	0	0	1	1	386	-9999.000	-9999.00
776.00	0.300	2.25	222	0	0	1	1	388	-9999.000	-9999.00
777.00	0.333	2.25	222	0	0	1	1	388	-9999.000	-9999.00
778.00	0.300	2.29	226	0	0	1	1	386	-9999.000	-9999.00
779.00	0.333	1.97	194	0	0	1	1	380	-9999.000	-9999.00
780.00	0.333	1.97	194	0	0	1	1	380	-9999.000	-9999.00
781.00	0.300	1.71	168	0	0	1	1	373	-9999.000	-9999.00

782.00	0.333	1.63	160	0	0	1	1	367	-9999.000	-9999.00
783.00	0.133	1.63	160	0	0	1	1	367	-9999.000	-9999.00
784.00	0.200	1.77	174	0	0	1	1	369	-9999.000	-9999.00
785.00	0.333	1.77	174	0	0	1	1	369	-9999.000	-9999.00
786.00	0.267	1.72	169	0	0	1	1	368	-9999.000	-9999.00
787.00	0.333	1.92	189	0	0	1	1	366	-9999.000	-9999.00
788.00	0.567	1.92	189	0	0	1	1	366	-9999.000	-9999.00
789.00	0.267	2.15	212	0	0	1	1	373	-9999.000	-9999.00
790.00	0.333	2.15	212	0	0	1	1	373	-9999.000	-9999.00
791.00	0.267	2.37	234	0	0	1	1	381	-9999.000	-9999.00
792.00	0.300	2.37	234	0	0	1	1	381	-9999.000	-9999.00
793.00	0.300	1.67	164	0	0	1	1	382	-9999.000	-9999.00
794.00	0.300	1.67	164	0	0	1	1	382	-9999.000	-9999.00
795.00	0.300	1.10	107	0	0	1	1	375	-9999.000	-9999.00
796.00	0.300	1.88	185	0	0	1	1	381	-9999.000	-9999.00
797.00	0.300	3.55	352	0	0	1	1	414	-9999.000	-9999.00
798.00	0.300	4.63	424	0	0	37	1	417	-9999.000	-9999.00
799.00	0.267	4.63	424	0	0	37	1	417	-9999.000	-9999.00
800.00	0.333	5.25	479	0	0	44	1	415	-9999.000	-9999.00
801.00	0.333	5.25	479	0	0	44	1	415	-9999.000	-9999.00
802.00	0.300	5.44	498	0	0	44	1	412	-9999.000	-9999.00
803.00	0.333	5.44	498	0	0	44	1	412	-9999.000	-9999.00
804.00	0.333	5.69	522	0	0	45	1	413	-9999.000	-9999.00
805.00	0.300	5.74	522	0	0	50	1	416	-9999.000	-9999.00
806.00	0.333	5.74	522	0	0	50	1	416	-9999.000	-9999.00
807.00	0.333	5.56	508	0	0	45	1	423	-9999.000	-9999.00
808.00	0.300	5.56	508	0	0	45	1	423	-9999.000	-9999.00
809.00	0.333	5.23	476	0	0	44	1	427	-9999.000	-9999.00

	810.00	0.333	5.23	476	0	0	44		
1	427	-9999.000	-9999.00						
	811.00	0.300	5.23	476	0	0	44		
1	427	-9999.000	-9999.00						
	812.00	0.333	4.75	428	0	0	45		
1	428	-9999.000	-9999.00						
	813.00	0.333	4.75	428	0	0	45		
1	428	-9999.000	-9999.00						
	814.00	0.133	4.75	428	0	0	45		
1	428	-9999.000	-9999.00						
	815.00	0.300	4.61	414	0	0	45		
1	433	-9999.000	-9999.00						
	816.00	0.300	4.14	368	0	0	44		
1	428	-9999.000	-9999.00						
	817.00	0.333	4.14	368	0	0	44		
1	428	-9999.000	-9999.00						
	818.00	0.333	3.72	327	0	0	42		
1	421	-9999.000	-9999.00						
	819.00	0.333	3.72	327	0	0	42		
1	421	-9999.000	-9999.00						
	820.00	0.300	3.15	273	0	0	40		
1	417	-9999.000	-9999.00						
	821.00	0.333	3.15	273	0	0	40		
1	417	-9999.000	-9999.00						
	822.00	0.300	2.42	239	0	0	1		
1	418	-9999.000	-9999.00						
	823.00	0.333	2.42	239	0	0	1		
1	418	-9999.000	-9999.00						
	824.00	0.300	1.75	172	0	0	1		
1	439	-9999.000	-9999.00						
	825.00	0.300	1.75	172	0	0	1		
1	439	-9999.000	-9999.00						
	826.00	0.333	1.47	144	0	0	1		
1	459	-9999.000	-9999.00						
	827.00	0.300	3.17	314	0	0	1		
1	376	-9999.000	-9999.00						
	828.00	0.333	1.60	157	0	0	1		
1	444	-9999.000	-9999.00						
	829.00	0.367	1.70	167	0	0	1		
1	446	-9999.000	-9999.00						
	830.00	0.333	1.80	177	0	0	1		
1	444	-9999.000	-9999.00						
	831.00	0.667	1.86	183	0	0	1		
1	442	-9999.000	-9999.00						
	832.00	0.300	1.86	183	0	0	1		
1	442	-9999.000	-9999.00						
	833.00	0.333	2.04	201	0	0	1		
1	436	-9999.000	-9999.00						
	834.00	0.333	2.04	201	0	0	1		
1	436	-9999.000	-9999.00						
	835.00	0.333	2.17	214	0	0	1		
1	427	-9999.000	-9999.00						
	836.00	0.333	2.17	214	0	0	1		
1	427	-9999.000	-9999.00						
	837.00	0.333	2.37	234	0	0	1		
1	420	-9999.000	-9999.00						

	838.00	0.333	2.45	242	0	0	1		
1	425	-9999.000	-9999.00						
	839.00	0.333	2.45	242	0	0	1		
1	425	-9999.000	-9999.00						
	840.00	0.300	2.47	244	0	0	1		
1	420	-9999.000	-9999.00						
	841.00	0.333	2.47	244	0	0	1		
1	420	-9999.000	-9999.00						
	842.00	0.333	2.49	246	0	0	1		
1	411	-9999.000	-9999.00						
	843.00	0.233	2.66	263	0	0	1		
1	408	-9999.000	-9999.00						
	844.00	0.300	2.78	275	0	0	1		
1	404	-9999.000	-9999.00						
	845.00	0.300	2.78	275	0	0	1		
1	404	-9999.000	-9999.00						
	846.00	0.333	2.94	291	0	0	1		
1	401	-9999.000	-9999.00						
	847.00	0.300	2.94	291	0	0	1		
1	401	-9999.000	-9999.00						
	848.00	0.300	3.03	300	0	0	1		
1	400	-9999.000	-9999.00						
	849.00	0.300	3.03	300	0	0	1		
1	400	-9999.000	-9999.00						
	850.00	0.333	3.13	310	0	0	1		
1	399	-9999.000	-9999.00						
	851.00	0.300	3.13	310	0	0	1		
1	399	-9999.000	-9999.00						
	852.00	0.300	3.01	298	0	0	1		
1	395	-9999.000	-9999.00						
	853.00	0.300	3.01	298	0	0	1		
1	395	-9999.000	-9999.00						
	854.00	0.300	2.20	217	0	0	1		
1	393	-9999.000	-9999.00						
	855.00	0.333	2.20	217	0	0	1		
1	393	-9999.000	-9999.00						
	856.00	0.300	1.71	168	0	0	1		
1	388	-9999.000	-9999.00						
	857.00	0.300	1.71	168	0	0	1		
1	388	-9999.000	-9999.00						
	858.00	0.300	0.03	0	0	0	1		
1	314	-9999.000	-9999.00						
	859.00	0.300	2.87	284	0	0	1		
1	430	-9999.000	-9999.00						
	860.00	0.333	2.66	263	0	0	1		
1	435	-9999.000	-9999.00						
	861.00	0.333	2.66	263	0	0	1		
1	435	-9999.000	-9999.00						
	862.00	0.333	1.94	191	0	0	1		
1	436	-9999.000	-9999.00						
	863.00	0.367	2.06	203	0	0	1		
1	440	-9999.000	-9999.00						
	864.00	0.333	2.84	281	0	0	1		
1	452	-9999.000	-9999.00						
	865.00	0.333	2.84	281	0	0	1		
1	452	-9999.000	-9999.00						

866.00	0.333	2.84	281	0	0	1	1	452	-9999.000	-9999.00	
867.00	0.333	3.24	321	0	0	1	1	460	-9999.000	-9999.00	
868.00	0.333	3.24	321	0	0	1	1	460	-9999.000	-9999.00	
869.00	0.367	3.56	353	0	0	1	1	459	-9999.000	-9999.00	
870.00	0.333	3.63	360	0	0	1	1	461	-9999.000	-9999.00	
871.00	0.333	3.63	360	0	0	1	1	461	-9999.000	-9999.00	
872.00	0.333	3.56	353	0	0	1	1	473	-9999.000	-9999.00	
873.00	0.767	3.59	356	0	0	1	1	472	-9999.000	-9999.00	
874.00	0.300	3.53	350	0	0	1	1	475	-9999.000	-9999.00	
875.00	0.300	3.53	350	0	0	1	1	475	-9999.000	-9999.00	
876.00	0.333	3.51	348	0	0	1	1	473	-9999.000	-9999.00	
877.00	0.300	3.45	342	0	0	1	1	462	-9999.000	-9999.00	
878.00	0.900	3.35	332	0	0	1	1	443	-9999.000	-9999.00	
879.00	0.333	3.35	332	0	0	1	1	443	-9999.000	-9999.00	
880.00	0.300	3.54	-9999	-9999	-9999	-9999	-9999	-9999	-9999.000	-9999.00	
881.00	0.300	3.56	-9999	-9999	-9999	-9999	-9999	-9999	-9999.000	-9999.00	
882.00	0.300	3.56	-9999	-9999	-9999	-9999	-9999	-9999	-9999.000	-9999.00	
883.00	0.333	3.53	-9999	-9999	-9999	-9999	-9999	-9999	-9999.000	-9999.00	
884.00	0.367	3.50	-9999	-9999	-9999	-9999	-9999	-9999	-9999.000	-9999.00	
885.00	0.333	3.03	300	0	0	1	1	431	-9999.000	-9999.00	
886.00	0.300	2.25	222	0	0	1	1	425	-9999.000	-9999.00	
887.00	0.300	2.25	222	0	0	1	1	425	-9999.000	-9999.00	
888.00	0.333	1.67	164	0	0	1	1	415	-9999.000	-9999.00	
889.00	0.333	1.29	126	0	0	1	1	348	-9999.000	-9999.00	
890.00	0.367	2.87	284	0	0	1	1	399	-9999.000	-9999.00	
891.00	0.333	3.17	314	0	0	1	1	397	-9999.000	-9999.00	
892.00	0.333	3.18	315	0	0	1	1	398	-9999.000	-9999.00	
893.00	0.333	3.18	315	0	0	1	1	398	-9999.000	-9999.00	

894.00	0.333	3.18	315	0	0	1	1	398	-9999.000	-9999.00
895.00	0.333	3.07	304	0	0	1	1	399	-9999.000	-9999.00
896.00	0.333	3.07	304	0	0	1	1	399	-9999.000	-9999.00
897.00	0.367	3.20	317	0	0	1	1	401	-9999.000	-9999.00
898.00	0.333	3.20	317	0	0	1	1	401	-9999.000	-9999.00
899.00	0.333	3.13	310	0	0	1	1	403	-9999.000	-9999.00
900.00	0.333	3.13	310	0	0	1	1	403	-9999.000	-9999.00
901.00	0.367	3.00	297	0	0	1	1	406	-9999.000	-9999.00
902.00	0.333	2.95	292	0	0	1	1	406	-9999.000	-9999.00
903.00	0.333	2.95	292	0	0	1	1	406	-9999.000	-9999.00
904.00	0.333	2.95	292	0	0	1	1	406	-9999.000	-9999.00
905.00	0.367	3.07	304	0	0	1	1	406	-9999.000	-9999.00
906.00	0.100	3.07	304	0	0	1	1	406	-9999.000	-9999.00
907.00	0.200	3.02	299	0	0	1	1	404	-9999.000	-9999.00
908.00	0.300	3.02	299	0	0	1	1	404	-9999.000	-9999.00
909.00	0.400	3.00	297	0	0	1	1	407	-9999.000	-9999.00
910.00	0.367	2.66	263	0	0	1	1	408	-9999.000	-9999.00
911.00	0.400	2.66	263	0	0	1	1	408	-9999.000	-9999.00
912.00	0.400	1.99	196	0	0	1	1	407	-9999.000	-9999.00
913.00	0.367	1.60	157	0	0	1	1	405	-9999.000	-9999.00
914.00	0.367	1.60	157	0	0	1	1	405	-9999.000	-9999.00
915.00	0.367	1.56	153	0	0	1	1	406	-9999.000	-9999.00
916.00	0.367	1.61	158	0	0	1	1	408	-9999.000	-9999.00
917.00	0.367	1.61	158	0	0	1	1	408	-9999.000	-9999.00
918.00	0.367	1.57	154	0	0	1	1	402	-9999.000	-9999.00
919.00	0.367	1.57	154	0	0	1	1	402	-9999.000	-9999.00
920.00	0.367	1.65	162	0	0	1	1	403	-9999.000	-9999.00
921.00	0.367	1.67	164	0	0	1	1	405	-9999.000	-9999.00

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   922.00      0.333       1.67       164          0          0          1
1        405 -9999.000   -9999.00
   923.00      0.367       1.91       188          0          0          1
1        401 -9999.000   -9999.00
   924.00      0.367       1.91       188          0          0          1
1        401 -9999.000   -9999.00
   925.00      0.333       2.35       232          0          0          1
1        405 -9999.000   -9999.00
   926.00      0.367       2.10       207          0          0          1
1        405 -9999.000   -9999.00
   927.00      0.367       2.10       207          0          0          1
1        405 -9999.000   -9999.00
   928.00      0.367       1.34       131          0          0          1
1          0 -9999.000   -9999.00
   929.00      0.360       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   930.00      0.380       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   931.00      0.833       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   932.00      0.367       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   933.00      0.467       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   934.00      0.333       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   935.00      0.367       0.03         0          0          0          1
1          0 -9999.000   -9999.00
   936.00      0.400       0.01     -9999      -9999      -9999      -9999      -
9999      -9999 -9999.000   -9999.00
   937.00      0.200       0.01     -9999      -9999      -9999      -9999      -
9999      -9999 -9999.000   -9999.00
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PPI Technology Services

MSC Exploration
Daily Drilling Report

CONFIDENTIAL

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	23	7	4/27/2004	May 13, 2004	May 20, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
937	937	432				Carl Hulslander

Present Operation	Rig Phone:	(254) 460-2490	Toolpusher
Rig Repair	Rig Fax:		Conrad Kinney

Current Weather	DONR Visit	NPDES	People on Loc.:		BOP Test Date	RIG ELEVATIONS		
Wind:	☑ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☑ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
2	7 7/8	?		Air Hammer	505'	432'	6	2-4	20-25	72.0			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1	Air Compressor	2500			300					1/2				
2										3/4				

BHA

Length:	Description:

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$700		$2,030

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

ATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0800	2.0	11	Finish installing casinghead. Test to 800 psi for 20 min. OK
0800	1100	3.0	11	NU rig's 11" x 3M double stack & 11", 3M annular.
1100	1500	4.0	22	Test kelly, floor valves, P & B Rams & Choke assembly to 3000psi for
				5 min. Test annular to 1500 psi for 5 min. OK. Test casing to 1500 psi
				for 5 mins. OK
1500	1530	0.5	11	Install wear bushing
1530	1700	1.5	12	PU hammer & GIH
1700	1800	1.0	10	Air drill cement from 463' to 505'
1800	0000	6.0	5	Air drilling from 505' to 937'
0000	0600	6.0	15	Air package booster pump blew bottom head gasket. WO new pump.
				Mr. Mark Jones w/ DONR, on location for testing. OK
				Rig went to $0 / day at 0200 hrs, 5/20/04
				Booster pump should be replaced by noon today.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		2.5
4. Directional Work		
5. Drilling	6	45
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT	1	1.75
11. N.U./ N.D.	5.5	7.5
12. P.U./L.D. BHA	1.5	5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair	6	6
16. Run Casing		2
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		1.5
21. Trips		1
22. Tst. BOPs	4	4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		6
28. Other		
Total	24	103

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

Rig Downtime		Fuel Usage			Material on Board		Previous Cost	$134,761
Daily	6.0 hrs	Daily		Gals	Cement:	sx	Daily Cost	$81,227
Cum.	6.0 hrs	Cum.	533	Gals	Barite:	sx	Cum. Cost	$215,988

MORNING REPORT

DATE 21 MAY, 2004

COMPANY & WELL MSC . STATE MSC 16-1 NE/NE SEC 16 T21S R20E GRAND UTAH

06:00 AM PRESENT ACTIVITY : DRILLING AHEAD WITH AIR

DEPTH TODAY 2043' YESTERDAYS DEPTH 937' FT/24 Hr 1106'

FORMATION NOW DRILLING IN MANCOS SHALE

FORMATION TOPS

PROJECTED FORMATION TOPS DAKOTA SAND 2854'

BACKGROUND GAS 1 TRIP GAS NA AT _____ , _____ AT _____

CONNECTION GAS NIL DOWN TIME GAS NIL

GAS SHOWS AND DRILLING BREAKS

DEPTH	ROP	PEAK	BG GAS	C_1	C_2	C_3	C_4	Other
NO	SHOWS							

LITHOLOGY 100% SHALE: gy-m gy,sbblky,rthy,frm,calc,aren,tr pyr,tr FOS Inocer

Sample quality fair with air drilling Weather conditions 65 Deg calm

BITS & TRIPS BIT # 2 7 7/8" MARQUIS HAMMER in at 505'
WOB 8-10 RPM 35 PP 180 SPM air LAG 5 MIN@ 2000' FEET
MUD AT AIR WT _____ VIS _____ WL _____ PH _____ CL _____ HARD _____
SURVEYS 1010' 1 ¼ deg

Remarks WAIT ON NEW AIR BOOSTER DRILLING AHEAD @ 17:00 HRS
DRILLING AHEAD WITH AIR

CONFIDENTIAL

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	25	4	4/27/2004	May 18, 2004	May 22, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
3,148	3,148	1,104		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	Toolpusher
POH to mix mud	(435) 220-0999	Doug McLean
	Rig Fax: (254) 460-2490 (alt)	

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
2	7 7/8	Marquis, C673G	M678112	Open	505'	2,643'	34	2/4	45	77.7			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	Air Compressor	2500			250-350					1/4				
2										1/2				
										3/4				

BHA

Length: 491.03 Description: hammer bit 12.25 (.44') , hammer (6.27), bell sub 92.3'), 15 -6" dc (.453.10')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost $2,777		Cumulative Cost $4,807

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
2063 & 2522	2063 & 2522	1.75 °							
2973	2973	1.25 °							

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0700	1.0	5	Air Drill 2044 t0 2107'
0700	0730	0.5	20	Survey @ 2063' - 1.75 deg. Service rig.
0730	1000	2.5	5	Air drilling from to 2107 to 2352'
1000	1100	1.0	20	Change out rotating rubber
1100	1330	2.5	5	Air drilling from 2352' to 2565', dusting, prep mist equipment for injection.
1330	1400	0.5	20	Survey @ 2522' - 1.75 deg.
1400	2000	6.0	5	Air drilling from 2566' to 3023'. Still Dusting. Last 4' pressure increased *
2000	2100	1.0	15	Rig Repair. Injector pump jammed and air booster coolant hose broke.
2100	2200	1.0	3	Circ. Air, injected foamer and cleaned hole.
2200	2230	0.5	20	Survey @ 2973' - 1.25 deg. Service rig.
2230	2300	0.5	5	Air/mist drilling from 3023' to 3045'. Injector pump not able to add constant foam. **
2300	2330	0.5	3	Circulate air and clean hole. Changed foamer line to booster for continous injection.
2330	0130	2.0	5	Air/mist 3045 to 3130. Injector pump not able to add constant foam. **
0130	0200	0.5	3	Circulate air and clean hole. WO returns.
0200	0230	0.5	5	Air/mist 3130 to 3148'. Working tight hole. Fill on connection.
0230	0500	2.5	3	Circulate air and work pipe. Prepare to POH. Circulate foamer pill.
0500	0600	1.0	21	POH to LD air hammer.

* Connection tight. LD single. Work connection. Attempt to inject foamer.
** Injection pump connected into rig power. Could not inject into 400 psi line while drilling - had to slug before and after.

No shows. Air drilling to 3019'. Est. that Cedar Mountain conglomerate where water was encountered.

DEC 13 2004

DIV. OF OIL, GAS & MINING

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	4.5	7
4. Directional Work		
5. Drilling	15	72.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair	1	17.5
16. Run Casing		2
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey	2.5	5.25
21. Trips	1	2
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		6
28. Other		
Total	24	151

Total Hours	24.0								
Rig Downtime		Fuel Usage			Material on Board			Previous Cost	$241,366
Daily	1.0 hrs	Daily	820	Gals	Cement:	sx		Daily Cost	$22,019
Cum.	17.5 hrs	Cum.	2562	Gals	Barite:	sx		Cum. Cost	$263,385

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	24	8	4/27/2004	May 13, 2004	May 21, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
2,044	2,044	1,107		$600,000		Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Conrad Kinney

Current Weather	DONR Visit	NPDES	People on Loc.:	1	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
2	7 7/8	Marquis, C673G	M678112	Open	505'	1,539'	18.25	2/4	40	84.3			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	Air Compressor	2500			270					1/4				
2										1/2				
										3/4				

BHA

Length: 491.03 Description: hammer bit 12.25 (.44') , hammer (6.27), bell sub 92.3'), 15 -6" dc (.453.10')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT																

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT											
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
											$2,030

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
1010	1010	1.25 °							
1505	1505	1.75 °							

ATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1500	9.0	15	Rig Repair. WO booster pump. Replace pump.
1500	1530	0.5	5	Air Drill from 937' to 968', have low air pressure
1530	1700	1.5	15	Rig Repair. Valves on booster pump installed incorrectly. Repair booster pum
1700	1815	1.3	5	Air Drill from 968' to 1,063'
1815	1900	0.8	20	Survey @ 1,010' - 1.25 deg. Service Rig.
1900	0015	5.3	5	Air Drill from 1,063' to 1,553'
0015	0045	0.5	20	Survey @ 1,505' - 1.75 deg.
0045	0600	5.3	5	Air Drill from 1,553' to 2,044'
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		2.5
4. Directional Work		
5. Drilling	12.25	57.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair	10.5	16.5
16. Run Casing		2
17. Service Rig		
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey	1.25	2.75
21. Trips		1
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		
26. Well Control		
27. WOC		6
28. Other		
Total	24	127

Rig Downtime		Fuel Usage			Material on Board			Previous Cost	$215,988
Daily	10.5 hrs	Daily	738	Gals	Cement:	sx		Daily Cost	$25,378
Cum.	16.5 hrs	Cum.	1742	Gals	Barite:	sx		Cum. Cost	$241,366

PPI Technology Services

MSC Exploration
Daily Drilling Report

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Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	26	5	4/27/2004	May 18, 2004	May 23, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
3,404	3,404	256		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	Rig Fax:	Toolpusher
Drilling	(435) 220-0999	(254) 460-2490 (alt)	Doug McLean

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	11	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service	3		RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
2	7 7/8	Marquis, C673G	M678112	Open	505'	2,643'	34	2/4	45	77.7	1	NA	1
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	256'	11 1/2	30	80	22.3			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	9 x 6	3.15	120	378	1410			356	222	1/4				
2	14 x 5.5	4.37	60		900					1/2	60	350		
										3/4	60		700	

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 16 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.5	34	5	5	2/4	13.6		2	1	99		0.25		10.8		.2/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	2400	60			110						
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$1,305		$6,112

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

ATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	21	POH to LD hammer. Bit looked like new.
0730	1100	3.5	28	Mixing mud w/ 36 - 38 visc.
1100	1230	1.5	21	GIH w/ 7 7/8" Hughes bit, 16 DC to 1691'
1230	1500	2.5	3	Filled hole w/ mud. Circulate & build mud volume.
1500	1530	0.5	21	GIH to 3118'.
1530	1630	1.0	25	Wash & ream 3118' to 3148'. *
1630	2000	3.5	5	Drill from 3148' to 3207'. Mud is areated and foamy w/ 34 visc. **
2000	2030	0.5	17	Service Rig.
2030	0230	6.0	5	Drill from 3207' to 3362'.
0230	0400	1.5	15	Rig Repair on hydraulics.
0400	0600	2.0	5	Drill from 3362' to 3404'.

Drilling in Morrison formtion
BG gas = 5 units
TG = 1291 units @ 3148'
CG = 10 units
DG = 10 units

* Shaker 1' thick w/ Cedar Maountain Cong. Some pieces greater than 1" long x 1/4" wide from mud conversion cavings.

** Circulate 5 mins. before connection to clean hole. Problems getting kelly bushing down.

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Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	2.5	9.5
4. Directional Work		
5. Drilling	11.5	83.75
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair	1.5	19
16. Run Casing		2
17. Service Rig	0.5	0.5
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey		5.25
21. Trips	3.5	5.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream	1	1
26. Well Control		
27. WOC		6
28. Other	3.5	3.5
Total	24	175

Total Hours	24.0

Rig Downtime		Fuel Usage			Material on Board		Previous Cost	$263,385
Daily	1.5 hrs	Daily	615	Gals	Cement:	sx	Daily Cost	$27,001
Cum.	19.0 hrs	Cum.	3177	Gals	Barite:	sx	Cum. Cost	$290,386

MORNING REPORT

DATE 23 MAY, 2004

COMPANY & WELL MSC . STATE MSC 16-1 NE/NE SEC 16 T21S R20E GRAND UTAH

06:00 AM PRESENT ACTIVITY : DRILLING AHEAD W/ MUD AND TRICONE BIT

DEPTH TODAY 3402' YESTERDAYS DEPTH 3148' FT/24 Hr 254'

FORMATION NOW DRILLING IN MORRISON

FORMATION TOPS

PROJECTED FORMATION TOPS MOAB TONGUE 3694' +/-

BACKGROUND GAS 5 U TRIP GAS 1291 U AT 3148' , AT

CONNECTION GAS OCC 10 U DOWN TIME GAS 10 U

GAS SHOWS AND DRILLING BREAKS

DEPTH	ROP	PEAK	BG GAS	C_1	C_2	C_3	C_4	CO2r
3294-3313	0.4-0.5-1	20	4	866	125	729	248	255
3318-3338	2-1.5-2	21	6	807	137	755	305	203

LITHOLOGY 60% SHALE: red brn,purp,maroon,gn,var col,splty-sbblky,rthy,calc
15% SS: wh-red,qtz,fgr,sbrd,wsrt,fri-m cmt,calc cmt 15% SLTST: red brn,sbblky,rthy,frm,
5% CHT CONGL: yel cht,ang crs gr conch frac 5% LS: crm,crypto,hd,dns,tt

Sample quality: FAIR ABNT CVGS Weather conditions 55 Deg calm

BITS & TRIPS NB # 3 HTC GT S18 7 7/8" TRICONE IN AT 3148'
WOB 30 RPM 65 PP 1400 SPM 118 LAG 20 MIN@ 3390' FEET
MUD AT 3148' WT 8.5 VIS 34 WL 13.6 PH 10.8 CL 2400 HARD 60
SURVEYS

Remarks TOOH, LAY DOWN AIR HAMMER, BUILD VOLUME TIH -1900' CIRC, TIH TO 3148' CIRC BOTTOMS UP, ABNT 1 INCH CVGS,DRILLING AHEAD W/ MUD AND TRI CONE BIT

0500	0600	1.0	21	POH to LD air hammer.	17. Service Rig		
					18. Sidetrack Op.		
				* Connection tight. LD single. Work connection. Attempt to inject	19. Stuck Pipe		
				foamer.	20. Survey	2.5	5.25
				** Injection pump connected into rig power. Could not inject into 400 psi	21. Trips	1	2
				line while drilling - had to slug before and after.	22. Tst. BOPs		4
					23. UR/HO		
				No shows. Air drilling to 3019'. Est. that Cedar Mountain conglomerate	24. W.O.W.		
				where water was encountered.	25. Wash & Ream		
					26. Well Control		
					27. WOC		6
					28. Other		
Total Hours		24.0			Total	24	151

Rig Downtime		Fuel Usage			Material on Board			Previous Cost	$241,366
Daily	1.0 hrs	Daily	820	Gals	Cement:	sx		Daily Cost	$22,019
Cum.	17.5 hrs	Cum.	2562	Gals	Barite:	sx		Cum. Cost	$263,385

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MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	28	7	4/27/2004	May 18, 2004	May 25, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
4,448	4,448	514		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	Toolpusher
Drilling	Rig Fax: (435) 220-0999 / (254) 460-2490 (alt)	Doug McLean

Current Weather	DONR Visit	NPDES	People on Loc.:	14	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service	3		RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	K55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	1,300'	55	35	80	23.6			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	89	104	100	102	0

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	9 x 6	3.15	117	378	1250			347	216	1/4	46	260		
2	14 x 5.5	4.37	66	288	950					1/2	60	350		
										3/4	60		700	

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 16 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	9.2	36	8	8	2/8	11.6		2	6.5	93.5		2.50		8.8		.05/.1

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	1800	40	96	96	180				Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$883		$8,312

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
4022	4022	1.00 °							

ATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0730	1.5	5	Drill from 3934' to 4066' with LSND mud
0730	0830	1.0	20	Survey @4022 ', 1 deg, Service Rig
0830	1000	1.5	19	Drill pipe stuck, Rig up compressor, Circ air with mud, pipe free
1000	1100	1.0	3	Circulate hole clean
1100	0600	19.0	5	Drill from 4066' to 4448' with LSND mud
Total Hours		24.0		

No Shows:

Carmel 4200'
Navajo 4320'

BGG = 49 units
TG = NA
CG = 10 units
DG = 10 units

1600 hrs - 180 mesh screens installed on shaker

1730 hrs- Carbide lag - bottoms up 29 mins, 3400 stks, pump #1

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Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	1	11
4. Directional Work		
5. Drilling	20.5	127.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig		0.5
18. Sidetrack Op.		
19. Stuck Pipe	1.5	1.5
20. Survey	1	6.75
21. Trips		5.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		1
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	223

Rig Downtime		Fuel Usage			Material on Board				
Daily		Daily	615	Gals	Cement:	sx	Previous Cost	$306,922
Cum.	19.0 hrs	Cum.	4448	Gals	Barite:	sx	Daily Cost	$15,583
							Cum. Cost	$322,505

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	27	6	4/27/2004	May 18, 2004	May 24, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
3,934	3,934	530		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Doug McLean

Current Weather	DONR Visit	NPDES	People on Loc.:	15	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	11	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	3		RKB-CHF		ft

ASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

ED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	786'	34 1/2	30	95/125	22.8			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	32	210		
1	9 x 6	3.15	117	378	1250			166	267	1/2	60	350		
2	14 x 5.5	4.37	66	288	950					3/4	60		700	

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 16 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	9.0	36	8	7	2/6	11.8		2	5	95		0.25		9		.1/.2

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	1800	40			110						
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$1,317		$7,429

CTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
3530	3530	1.25 °							

ATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	
0600	1500	9.0	5	Drill from 3404' to 3574' with LSND mud
1500	1530	0.5	20	Survey @ 3530' - 1.25 deg. Service Rig.
1530	2230	7.0	5	Drill from 3404' to 3696'. * Using pump #2. Repairing pump #1
2230	2300	0.5	3	Circulated bottoms up @ 3696'. Service Rig.
2300	0600	7.0	5	Drill from 3696' to 3934'. Pump #1 repaired. **
				Shows: 3415 to 3435'. Peak gas - 22 units
				Moab Tongue Entrada @ 3676'
				BGG = 40 units
				TG = NA
				CG = 10 units
				DG = 10 units
				* Drilling breaks @ 3679' to 3686' & 3690' to 3736'.
				** Working on #1 pump for 13 hours. Returned to service @ 2300 hrs.
Total Hours		24.0		

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	0.5	10
4. Directional Work		
5. Drilling	23	106.75
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig		0.5
18. Sidetrack Op.		
19. Stuck Pipe		
20. Survey	0.5	5.75
21. Trips		5.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		1
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	199

Rig Downtime		Fuel Usage			Material on Board			Previous Cost	$290,386
Daily		Daily	656	Gals	Cement:	sx		Daily Cost	$16,536
Cum.	19.0 hrs	Cum.	3833	Gals	Barite:	sx		Cum. Cost	$306,922

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	30	9	4/27/2004	May 18, 2004	May 27, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
4,900	4,900	360		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	Toolpusher
Drilling	Rig Fax: (254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:	16	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	2	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	11	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	3		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	1,752'	83	35	80	21.1			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	114	112	108	110	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	378	1250			347	216	1/2	50	350		
2	14 x 5.5	4.37	66	288	950					3/4	77	680		

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 16 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	9.0	37	8	9	2/6	6.8		2	5		6	1.00		9.4		.1/.4

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	1200	40	94	94	180			12	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							15		$1,056		$18,485

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	
0600	0600	24.0	5	Drill from 4540' to 4900' with LSND mud.
				MW = 8.7 ppg @ 4900'
				1500 hrs - desilter on mud system
				1800 hrs - centrifuge on mud system
				No shows:
				Kayenta - 4545'
				Wingate - 4750'
				Projected Chinle - 5234'
				BGG = 11 units
				TG = NA
				CG = nil units
				DG = nil units

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		14.5
4. Directional Work		
5. Drilling	24	155.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig		0.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		6.75
21. Trips		5.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		1
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	271

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DIV. OF OIL, GAS & MINING

Total Hours	24.0						
Rig Downtime		Fuel Usage			Material on Board		Previous Cost $344,940
Daily		Daily	718	Gals	Cement:	sx	Daily Cost $20,297
Cum.	19.0 hrs	Cum.	5766	Gals	Barite:	sx	Cum. Cost $365,237

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	29	8	4/27/2004	May 18, 2004	May 26, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
4,540	4,540	92		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Doug McLean

Current Weather	DONR Visit	NPDES	People on Loc.:	15	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☑ Yes ☐ No	LC50 Sample Date	Operator	2	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	M. Jones ☑ No	Pass? ☐Yes ☐ No	Service	3		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	1,392'	59	35	80	23.6			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	89				

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	378	1250			347	216	1/2	60	350		
2	14 x 5.5	4.37	66	288	950					3/4	60		700	

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 16 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	9.0	37	8	9	2/6	6.8		2	5	89	6	1.00		9.4		.1/.4

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	1200	40	94	94	180				Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
									$9,117		$17,429

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: _____ Status: _____ Crew Boat Name: Status:
0600	0700	1.0	5	Drill from 4448' to 4470' with LSND mud. Pipe stuck on connection.
0700	1530	8.5	19	Work stuck pipe. Attempt to pump air, conditioning mud. Booster
				pump not working. RU replacement air booster. *
1530	2300	7.5	19	Pump diesel pill with pipe free across collars. Working stuck pipe. RU
				replacement booster. *
2300	2330	0.5	19	Aerate mud, circulate hole. Pipe came free.
2330	0300	3.5	3	Shut off air, Circulate and condition mud.
0300	0600	3.0	5	Drill 4470' to 4540' with LSND mud.
				* AirComp two stage booster arrived @ 2115 hrs. Centrifuge and stand
				arrived @ 0100 hrs.
				No shows:
				Navajo - 4320'
				Projected Kayenta 4734'
				BGG = 125 units
				TG = NA
				CG = 5 units
				DG = nil
				Mark Jones w/ DONR visisted rig. No problems. GW left him message on
				progress.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	3.5	14.5
4. Directional Work		
5. Drilling	4	131.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig		0.5
18. Sidetrack Op.		
19. Stuck Pipe	16.5	18
20. Survey		6.75
21. Trips		5.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		1
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	247

Rig Downtime		Fuel Usage			Material on Board		Previous Cost	$322,505
Daily		Daily	600	Gals	Cement:	sx	Daily Cost	$22,435
Cum.	19.0 hrs	Cum.	5048	Gals	Barite:	sx	Cum. Cost	$344,940

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MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	32	11	4/27/2004	May 18, 2004	May 29, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
5,500	5,500	418		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
4	7 7/8	Varel ETD 517	111071	open	5082'	418'	23 1/2	35	80	17.8			

Bit Remarks:

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
137.5	128	124	126	0

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	378	680			466	305	1/2	50	350		
2	14 x 5.5	4.37		800 scf	680					3/4	77	680		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.5+	29	1	1	0/0	nc			1	99		tr		8		0/.1

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	15000	40			180			24	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							24		$7,067		$30,869

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0630	0.5	25	Wash and ream from 5060' to 5082'
0630	0600	23.5	5	Drill from 5082' to 5500' with aerated LSND mud.
				Est. ECD = 5.9 ppg
				Est. 40 bbl/hr formation water into system
				No shows:
				Shinarump - 5331'
				Moenkopi - 5382'
				Projected White Rim - 6012'
				BGG = 10 units
				TG = ?? Got bubble, but unable to read
				CG = 20 units
				DG = 20 units

Time Summary

Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		16
4. Directional Work		
5. Drilling	23.5	189.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig		4.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		7.75
21. Trips		11.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream	0.5	2.5
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	319

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Total Hours	24.0						
Rig Downtime		Fuel Usage			Material on Board		Previous Cost $395,721
Daily		Daily	1498	Gals	Cement:	sx	Daily Cost $26,302
Cum.	19.0 hrs	Cum.	7978	Gals	Barite:	sx	Cum. Cost $422,023

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	31	10	4/27/2004	May 18, 2004	May 28, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
5,082	5,082	182		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Wash & Ream	Rig Fax:	(254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
3	7 7/8	Hughes GT 518	5030150	12,12,12	3,148'	1,934'	93 1/2	35	80	20.7	7	6	1/2
4	7 7/8	Varel ETD 517	111071	open	5082'								

Bit Remarks: even wear across all teeth

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
114	112	107	110	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	378	1250			347	216	1/2	50	350		
2	14 x 5.5	4.37	66	288	950					3/4	77	680		

BHA

Length: 487.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC, Jars ( ), 6 - 6.25" DC (482.93')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.7	36	8	8	3/11	9.4		2	3.2	92.8	4	0.13		10.5		.4/.7

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	4400	40	98	98	180			yes	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							yes		$5,317		$23,802

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
4947	4947	1.00 °							

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: / Crew Boat Name:	Status: / Status:
0600	1200	6.0	5	Drill from 4900' to 4989' with LSND mud.	
1200	1300	1.0	20	Survey 4947' 1 deg, Service Rig	
1300	1730	4.5	5	Drill from 4989' to 5082' with LSND mud.	
1730	1900	1.5	3	Circulate and condition hole for trip. Pump small pill	
1900	2230	3.5	21	TOOH	
2230	0000	1.5	21	TIH with 10 DCs, jars, 6 DCs, 1 stand DP	
				Installed new rotating head driver bushings & rubber	
0000	0400	4.0	17	Service Rig	
0400	0500	1.0	21	TIH to 4977'	
0500	0600	1.0	25	Wash & Ream 4977' to 5060'	
				No shows:	
				Projected Chinle - 5234'	
				BGG = 11 units	
				TG = na	
				CG = nil units	
				DG = nil units	
Total Hours		24.0			

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	1.5	16
4. Directional Work		
5. Drilling	10.5	165.75
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig	4	4.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	1	7.75
21. Trips	6	11.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream	1	2
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	295

Rig Downtime		Fuel Usage			Material on Board		Previous Cost	$365,237
Daily		Daily	714	Gals	Cement:	sx	Daily Cost	$30,484
Cum.	19.0 hrs	Cum.	6480	Gals	Barite:	sx	Cum. Cost	$395,721

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	34	13	4/27/04	May 18, 2004	May 31, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
6,230	6,230	134		$600,000	7,700'	Carl Hulslander

Present Operation			Toolpusher
TIH with new bit	Rig Phone:	(435) 220-0999	Conrad Tonney
	Rig Fax:	(254) 460-2490 (alt)	

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/04	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
4	7 7/8	Varel ETD 517	111071	open	5,082'	1,148'	51 1/2	35	70	22.3	8	8	1/4
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'								

Bit Remarks:

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
165.5	130	126	128	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	1250				347	216	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	77	680		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.8	30	30	4	.3	0.3	10.0		2.1	97.9		tr		8.5		0/.1

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	15500	6	94		180			24	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							24		$1,613		$36,609

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1130	5.5	5	Drilling from 6096' to 6230' with aireated LSND mud
1130	1200	0.5	3	Circulate and condition mud to obtain drilling properties
1200	1700	5.0	21	POH for new bit.
1700	1730	0.5	17	Service Rig
1730	2100	3.5	3	Mix and condition mud to obtain drilling properties.
2100	0030	3.5	15	Rig repair - Pump #1
0030	0130	1.0	21	GIH with Bit #5 & previous BHA to casing shoe @ 500'.
0130	0230	1.0	28	Cut drilling line.
0230	0330	1.0	3	Circulate and condition mud to obtain drilling properties
0330	0400	0.5	21	GIH to 2007'.
0400	0500	1.0	3	Circulate and condition mud to obtain drilling properties
0500	0600	1.0	21	GI to 3800'

No shows:
Projected - Penn SS - 6682'

BGG = 10 units
TG = NA
CG = 20 units over BGG
DG = NA

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	6	22.5
4. Directional Work		
5. Drilling	5.5	217.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair	3.5	22.5
16. Run Casing		2
17. Service Rig	0.5	5.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		8.25
21. Trips	7.5	19
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		2.5
26. Well Control		
27. WOC		6
28. Other	1	4.5
Total	24	367

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Total Hours	24.0						
Rig Downtime		Fuel Usage			Material on Board		Previous Cost $447,543
Daily	3.5 hrs	Daily	504	Gals	Cement:	sx	Daily Cost $26,437
Cum.	22.5 hrs	Cum.	9616	Gals	Barite:	sx	Cum. Cost $473,980

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	33	12	4/27/04	May 18, 2004	May 30, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
6,096	6,096	596		$600,000	7,700'	Roger Knight

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS	
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/04	RKB	15 ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth	ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF	ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
4	7 7/8	Varel ETD 517	111071	open	5082'	1,014'	46	38	80	22.0			

Bit Remarks:

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
160	128	124	126	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	120	357	260			466	305	1/2	50	350		
2	14 x 5.5	4.37								3/4	77	680		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.6	28	1	1	0	NC			0.1			tr		7.5		0/.7

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	#3	#4	Hours Desand	Cent.	Desilt	Mud Cl	Mud Engineer	Daily Cost	Mud Company	Cumulative Cost
PIT										24	24		Bill Miller	$4,127	Anchor	$34,996

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
5890	5890	1.75 °							

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Status: ____ Crew Boat Name: Status:
0600	1430	8.5	5	Frill from 5500' to 5723' with aerated LSND mud
1430	1500	0.5	17	Service Rig
1500	2300	8.0	5	Drill from 5723' to 5942' with aerated LSND mud
2300	2330	0.5	20	Survey - 5890' - 1.75 deg.
2330	0230	3.0	5	Drill from 5942' to 6033' with aerated LSND mud
0230	0300	0.5	3	Load hole with fluid
0300	0600	3.0	5	Drill from 6033' to 6096' with LSND mud. *
				Show @ 5628'
				Cutler @ 6052'
				Projected Penn SS @ 6682'
				BGG = 24 units
				TG = ?? Got bubble, but unable to read
				CG = 24 unitts over BGG
				DG = 130 units
				* Due to large influx of formation water while drilling with aerated mud with an approximate 6.0 ppg ECD, mud system became basically formation water. Filled reserved pit to top. Jack Stanley approved moving excess water to another well' reserve pit. After conferring with rig, decision made to continue drilling with LSND mud and no air. Will stage in hole after trip for a new bit.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	0.5	16.5
4. Directional Work		
5. Drilling	22.5	211.75
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		19
16. Run Casing		2
17. Service Rig	0.5	5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	0.5	8.25
21. Trips		11.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		2.5
26. Well Control		
27. WOC		6
28. Other		3.5
Total	24	343

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$422,023
Daily		Daily	1134	Gals	Cement:	sx	Daily Cost	$25,520
Cum.	19.0 hrs	Cum.	9112	Gals	Barite:	sx	Cum. Cost	$447,543

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	36	15	4/27/2004	May 18, 2004	Jun 2, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
6,883	6,883	418		$600,000	7,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Drilling	(435) 220-0999	Conrad Tonney
	Rig Fax: (254) 460-2490 (alt)	

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'	653'	34	35/40	80	19.2			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	197.75	136	132	134	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	210		
1	9 x 6	3.15	117	375	1300			350	218	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	83	650		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	9.0	36	9	8	4/9	6.8		2	3.8			0.25		9.5		.2/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	16500	60	106	106	180			18	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							18		$4,317		$48,936

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	0800	2.0	5	Drilling from 6465' to 6498'
0800	0830	0.5	17	Service rig
0830	0600	21.5	5	Drilling from 6496' to 6883'

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		31.5
4. Directional Work		
5. Drilling	23.5	251.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	0.5	6
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		8.75
21. Trips		21
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		4.5
26. Well Control		
27. WOC		6
28. Other		4.5
Total	24	415

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Total Hours	24.0						
Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost $499,108
Daily		Daily	883	Gals	Cement:	sx	Daily Cost $20,399
Cum.	22.5 hrs	Cum.	11213	Gals	Barite:	sx	Cum. Cost $519,507

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	35	14	4/27/2004	May 18, 2004	Jun 1, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
6,465	6,465	235		$600,000	7,700'	Carl Hulslander

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:	(254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'	235'	10 1/2	40	85	22.4			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	171	139	104		

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	260		
1	9 x 6	3.15	117	1250	1350			347	216	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	77	680		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.8	36	8	7	3/5	8.8		2	2.4	97.6		tr		9		.1/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	17000	80	102	102	180			24	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							24		$8,010		$44,619

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
6382	6382	2.00 °							

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1230	6.5	3	Circulate and condition mud @ 3800', 36 visc., 8.8 ppg, 8% LCM
1230	1330	1.0	21	GIH to 4850'
1330	1600	2.5	3	Circulate and condition mud @ 4850'. Seepage stopped, 25 bbl lost.
1600	1700	1.0	21	GIH to 6115'. Hit bridge.
1700	1900	2.0	25	Wash and ream from 6115' to 6230'
1900	0400	9.0	5	Drilling from 6230' to 6435'
0400	0430	0.5	20	Survey @ 6382' - 2 deg.
0430	0600	1.5	5	Drilling from 6435' to 6465'
				No shows.
				Projected - Penn SS - 6682'
				BGG = 4 units
				TG = 10 units @ 6230'
				CG = 3-5 units over BGG
				DG = nil units
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	9	31.5
4. Directional Work		
5. Drilling	10.5	227.75
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig		5.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	0.5	8.75
21. Trips	2	21
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream	2	4.5
26. Well Control		
27. WOC		6
28. Other		4.5
Total	24	391

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$473,980
Daily		Daily	714	Gals	Cement:	sx	Daily Cost	$25,128
Cum.	22.5 hrs	Cum.	10330	Gals	Barite:	sx	Cum. Cost	$499,108

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	38	17	4/27/2004	May 18, 2004	Jun 4, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
7,522	7,522	310		$600,000	7,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
POOH for washout	Rig Fax: (254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:	17	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	6	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	1		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'	1,292'	76 3/4	35	85	16.8			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	264	150	142	124	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	9 x 6	3.15	117	375	1300/900			350	218	1/4	45	215		
2	14 x 5.5	4.37	66	950						1/2	50	350		
										3/4	83	650		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.6	37	8	5	2/6	7.6		2	2			0.13		9.2		.1/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	16000	40	106	106	180	180		24	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
					90	24			$6,720		$58,391

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
7311	7311	3.00 °							

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code
0600	1230	6.5	5
1230	1300	0.5	20
1300	1330	0.5	17
1330	1600	2.5	5
1600	1615	0.3	3
1615	1715	1.0	20
1715	0500	11.8	5
0500	0600	1.0	28
Total Hours		24.0	

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	0.25	31.75
4. Directional Work		
5. Drilling	20.75	294
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	0.5	7
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	1.5	11.75
21. Trips		21
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		4.5
26. Well Control		
27. WOC		6
28. Other	1	5.5
Total	24	463

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Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$537,677
Daily		Daily	825	Gals	Cement:	sx	Daily Cost	$22,949
Cum.	22.5 hrs	Cum.	12788	Gals	Barite:	sx	Cum. Cost	$560,626

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	37	16	4/27/2004	May 18, 2004	Jun 3, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
7,212	7,212	329		$600,000	7,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Drilling	Rig Fax: (435) 220-0999 (254) 460-2490 (alt)	Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:	17	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☑ Yes ☐ No	LC50 Sample Date	Operator	6	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	M. Jones ☑ No	Pass? ☐ Yes ☐ No	Service	1		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'	982'	56	35/30	80/90	17.5			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	243.25	142	136	138	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	210		
1	9 x 6	3.15	117	375	1300			350	218	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	83	650		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.9	35	8	6	2/7	7.4		2	3.1			0.25		9		.1/.2

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	16500	60	106	106	180			8	Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
							22		$2,735		$51,671

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
6881	6881	3.00 °							
7098	7098	3.00 °							

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Status: ____ Crew Boat Name: Status:
0600	0830	2.5	5	Drilling from 6883' to 6926'
0830	0900	0.5	20	Survey @ 6881' - 3 deg.
0900	0930	0.5	17	Service rig
0930	0000	14.5	5	Drilling from 6926' to 7142'. Reduced weight to 30k, increased rpm to 90.
0000	0100	1.0	20	Survey @ 7098' - 3 deg.
0100	0600	5.0	5	Drilling from 7142' to 7212'. Increased weight to 35k.
				BGG = 10 units
				TG = NA
				CG = nil units
				DG = nil units
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		31.5
4. Directional Work		
5. Drilling	22	273.25
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	0.5	6.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	1.5	10.25
21. Trips		21
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		4.5
26. Well Control		
27. WOC		6
28. Other		4.5
Total	24	439

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$519,507
Daily		Daily	750	Gals	Cement:	sx	Daily Cost	$18,170
Cum.	22.5 hrs	Cum.	11963	Gals	Barite:	sx	Cum. Cost	$537,677

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	40	19	4/27/2004	May 18, 2004	Jun 6, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,100	8,100	385		$750,000	8,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Drilling	(435) 220-0999	Conrad Tonney
	Rig Fax:	

Current Weather	DONR Visit	NPDES	People on Loc.:	17	Last BOP Test Date	RIG ELEVATIONS
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	6	5/19/2004	RKB 15 ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service	1		RKB-CHF ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
6	7 7/8	Hughes HX-S20	5031279	12,13,13	7,522'	578'	33 1/2	35	80	17.3			

Bit Remarks:

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
297.5	158	150	154	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
1	9 x 6	3.15	117	375	1500			350	218	1/4	46	230		
2	14 x 5.5	4.37	66	950						1/2	50	350		
										3/4	82	700		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.7	38	9	7	2/6	6.4		2	2			0.75		9.4		.05/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	9000	40	116	116	180	180		9	Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
					90		24		$946		$60,162

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS	DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1400	8.0	5	Drilling from 7715' to 7851'
1400	1430	0.5	17	Service Rig
1430	0600	15.5	5	Drilling from 7851' to 8100'
				No Shows.
				BGG = 6 units
				TG = 80 units
				CG = 5 units over BG gas
				DG = nil units
				MSC Exploration rep Jack Stanley informed Carl Hulslander that the new
				TD will be 8700' after meeting with Doc Musselmann of Union Drilling.
				Galan Williams confirmed with Doc Musselmann that Union would go past
				Contract TD of 8500' to 8700', but no deeper.
				Survey attempt at 7849' was cancelled by Jack Stanley.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		32.25
4. Directional Work		
5. Drilling	23.5	327.5
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	0.5	8.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		11.75
21. Trips		33
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		5
26. Well Control		
27. WOC		6
28. Other		5.5
Total	24	511

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Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$586,917
Daily		Daily	840	Gals	Cement:	sx	Daily Cost	$17,103
Cum.	22.5 hrs	Cum.	14253	Gals	Barite:	sx	Cum. Cost	$604,020

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	39	18	4/27/04	May 18, 2004	Jun 5, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
7,715	7,715	193		$600,000	7,700'	Carl Hulslander

Present Operation			Toolpusher
Drilling	Rig Phone:	(435) 220-0999	Conrad Tonney
	Rig Fax:	(254) 460-2490 (alt)	

Current Weather	DONR Visit	NPDES	People on Loc.:	17	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	6	5/19/04	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	1		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
5	7 7/8	Hughes HX-S20	50395521	13,14,14	6,230'	1,292'	76 3/4			16.8	8	4	1/16
6	7 7/8	Hughes HX-S20	5031279	12,13,13	7,522'	193'	10	35	80	19.3			

Bit Remarks:

Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
274	152	146	148	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	230		
1	9 x 6	3.15	117	375	1400			350	218	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	82	700		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.6	38	8	7	2/6	6.8		2	2			1.00		9.6		.1/.4

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Desand	Cent.	Hours	Mud Engineer		Mud Company
PIT	12000	40	109	109	180	180		10		Bill Miller		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost			Cumulative Cost
					90		10		$825			$59,216

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1230	6.5	21	Strap out of hole looking for washout. Found hole in DP 2 jts. Above DC's
1230	1330	1.0	17	Service rig
1330	1700	3.5	21	GIH to 4000'
1700	1730	0.5	3	Circulate & condition mud
1730	1930	2.0	21	Gih to 7479'
1930	2000	0.5	25	Wash and ream from 7479' to 7522'
2000	0600	10.0	5	Drilling from 7522' to 7715'
				No shows
				BGG = 8 units
				TG = 80 units
				CG = tr units
				DG = nil units
				Galan Williams spoke with Mr. Dustin Doucett with DONR in Salt Lake City
				about drilling past permitted TD of 7000'. He advised to sumit a sundry
				notice to deepen the well to 8500'. Sundry notice was completed and
				forwarded to MSC Exploration for signature. Notice was faxed to DONR
				on Friday evening. Galan Williams also spoke to Mr. Mark Jones with
				DONR and informed him of changes.
				Jim Jones with Tidewater Oil & Gas told Carl Hulslander to continue
				drilling ahead to 8500'.
Total Hours		24.0		

Time Summary

Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	0.5	32.25
4. Directional Work		
5. Drilling	10	304
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	1	8
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		11.75
21. Trips	12	33
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream	0.5	5
26. Well Control		
27. WOC		6
28. Other		5.5
Total	24	487

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$560,626
Daily		Daily	625	Gals	Cement:	sx	Daily Cost	$26,291
Cum.	22.5 hrs	Cum.	13413	Gals	Barite:	sx	Cum. Cost	$586,917

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	42	21	4/27/2004	May 18, 2004	Jun 8, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,695	8,695	2,970		$750,000	8,700'	Carl Hulslander

Present Operation	Rig Phone:	(435) 220-0999	Toolpusher
Drilling	Rig Fax:		Conrad Tonney

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☑ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	M. Jones ☑ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
6	7 7/8	Hughes HX-S20	5031279	12,13,13	7,522'	1,173'	79	35	80	14.8			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343	166	154	160	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	270		
1	9 x 6	3.15	117	375	1350			350	218	1/2	50	350		
2	14 x 5.5	4.37	66		950					3/4	82	700		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.9	52	16	12	3/12	5.8		2	4.25			0.50		9.2		.05/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	8000	40	114	114	180	180		22	Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
					90		22		$3,015		$65,259

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: Status:
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1000	4.0	5	Drilling from 8425' to 8472'
1000	1030	0.5	17	Service rig
1030	0600	19.5	5	Drilling from 8472' to 8695'
				No Shows.
				BGG = 4 units
				TG = NA
				CG = tr units
				DG = NA
				Mark Jones visited location. Galan Williams spoke with Dustin Doucett
				with DONR in Salt Lake City. Sundry notice to drill to 8700' approved
				with stipulation that cement must be brought above the Dakota formation
				at about 2650'.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		32.25
4. Directional Work		
5. Drilling	23.5	373
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	0.5	10
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		12.75
21. Trips		33
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		5
26. Well Control		
27. WOC		6
28. Other		5.5
Total	24	559

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Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$623,209
Daily		Daily	924	Gals	Cement:	sx	Daily Cost	$19,156
Cum.	22.5 hrs	Cum.	16059	Gals	Barite:	sx	Cum. Cost	$642,365

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	41	20	4/27/2004	May 18, 2004	Jun 7, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,425	8,425	325		$750,000	8,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Drilling	(435) 220-0999	Conrad Tonney
	Rig Fax:	

Current Weather	DONR Visit	NPDES	People on Loc.:		Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator		5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor		Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD'	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
6	7 7/8	Hughes HX-S20	5031279	12,13,13	7,522'	903'	55 1/2	35	80	16.3			

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	319.5	160	152	154	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	270		
1	9 x 6	3.15	117	1600				350	218	1/2	50	350		
2	14 x 5.5	4.37	66	950						3/4	82	700		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.8	38	11	6	2/5	6.6		2	3.5			0.50		9.4		.05/.3

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	8000	40	112	112	180	180		22	Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
					90		22		$2,082		$62,244

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
8240	8420	2.00 °							

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: Crew Boat Name: Status: Status:
0600	0800	2.0	5	Drilling from 8100' to 8131'
0800	0900	1.0	17	Service Rig
0900	1830	9.5	5	Drilling from 8131' to 8280'
1830	1930	1.0	20	Survey @ 8240' - 2 deg.
1930	0600	10.5	5	Drilling from 8280' to 8425'
				No Shows.
				BGG = 6 units
				TG = NA
				CG = tr units
				DG = NA
				Lynn Faust re-submitted Sundry Notice to extend TD to 8700' on morning of 6/6/04.
Total Hours		24.0		

Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate		32.25
4. Directional Work		
5. Drilling	22	349.5
6. Drive Pipe		
7. Fishing		
8. OH Logging		
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig	1	9.5
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	1	12.75
21. Trips		33
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		5
26. Well Control		
27. WOC		6
28. Other		5.5
Total	24	535

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$604,020
Daily		Daily	882	Gals	Cement:	sx	Daily Cost	$19,189
Cum.	22.5 hrs	Cum.	15135	Gals	Barite:	sx	Cum. Cost	$623,209

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PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	44	23	4/27/2004	May 18, 2004	Jun 10, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,700	8,700	TD		$750,000	8,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Circulate and Condition Mud, WO casing	(435) 220-0999	Conrad Tonney
	Rig Fax:	

Current Weather	DONR Visit	NPDES	People on Loc.:	10	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	1	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	9	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐ Yes ☐ No	Service			RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
6	7 7/8	Hughes HX-S20	5031279										

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343.5				

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4				
1	9 x 6	3.15	117	375	970					1/2				
2	14 x 5.5	4.37								3/4				

BHA

Length: 488.33 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.9	46	12	8	2/4	6.0		2	4			0.50		9		.05/.2

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Hours Desand	Cent.	Mud Engineer		Mud Company
PIT	8000	40	114		180	180			Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost		Cumulative Cost
					90				$540		$67,024

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE

OPERATIONS SUMMARY

Boats: Supply Boat Name: _____ Status: _____
Crew Boat Name: Status:

TIME FROM	TIME TO	HOUR	Time Code	
0600	1200	6.0	8	Logging well w/ Phoenix Surveys. Ran Dual Induction, Comp. Density, Com. Neutron, GR & SP, and BHC Sonic logs
1200	1400	2.0	28	WOO. Received orders at rig to run production casing.
1400	1900	5.0	28	Unload and strap 5-1/2" casing.
1900	2200	3.0	21	GIH to 3000'
2200	2230	0.5	3	Circulate and condition mud
2230	0000	1.5	21	GIH to 5000'
0000	0030	0.5	24	Circulate and condition mud. WO weather.
0030	0230	2.0	21	GIH to 8700'. No fill.
0230	0600	3.5	3	Circulate and condition mud. WO remainder of casing and inspectors
				Tremendous storm came through last night. Had to shut down rig for wind and dust at 5000' because of potential danger to crew.
Total Hours		24.0		

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Time Summary Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	4	39.25
4. Directional Work		
5. Drilling		373.5
6. Drive Pipe		
7. Fishing		
8. OH Logging	6	15
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig		10
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey		13.25
21. Trips	6.5	48
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.	0.5	0.5
25. Wash & Ream		5
26. Well Control		
27. WOC		6
28. Other	7	15
Total	24	607

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$659,331
Daily		Daily	294	Gals	Cement:	sx	Daily Cost	$24,413
Cum.	22.5 hrs	Cum.	16773	Gals	Barite:	sx	Cum. Cost	$683,744

T21S R20E SCE-16
43-019-31401

PPI Technology Services

MSC Exploration
Daily Drilling Report

Block, Lease and Well No.	Contract Rig	DOL	DFS	Date on Location	Spud Date	Report Date
N. Thompson - State MSC #16-1	Union #7	43	22	4/27/2004	May 18, 2004	Jun 9, 2004

MD	TVD	Footage	AFE No.	AFE Amount	Auth. TD.	Company Representative
8,700	8,700	5		$750,000	8,700'	Carl Hulslander

Present Operation	Rig Phone:	Toolpusher
Logging	(435) 220-0999	Conrad Tonney
	Rig Fax:	

Current Weather	DONR Visit	NPDES	People on Loc.:	18	Last BOP Test Date	RIG ELEVATIONS		
Wind:	☐ Yes ☐ No	LC50 Sample Date	Operator	4	5/19/2004	RKB	15	ft
Seas:	Problem? ☐ Yes		Contractor	10	Next BOP Test Date	Water Depth		ft
Sky:	☐ No	Pass? ☐Yes ☐ No	Service	4		RKB-CHF		ft

CASING RECORD

Casing String	OD	Wt.	Grade	Conn.	Jts. Run	Setting Depth MD	Setting Depth TVD	Liner Top MD	Liner Top TVD	MW when Run	LOT Pres	LOT EMW	LOT Leakoff?
Conductor	16"		LP	W		100'	100'						
Surface	8 5/8"	24	J55	STC	12	505'	505'			Air			

BIT, WEIGHT, SPEED AND HYDRAULICS RECORD

BIT No	Size	Bit Type and Manufacturer	Serial Number	Jets	Depth In	Total Footage	Hrs	WOB	Rpm	Avg ROP	Grade Tooth	Grade Bearing	Grade Gage
6	7 7/8	Hughes HX-S20	5031279	12,13,13	7,522'	1,178'	79 1/2	35	80	14.8	6	4	1/16

Bit Remarks:	Cum. ROT. Hrs	PU Wt	SO Wt	ROT Wt	Torque
	343.5	166	154	160	

Pump No.	Stroke X Liner	Output gps	SPM	GPM	Pressure	JV	Pb	AV DC	AV DP	Speed	SPM	Slow Pump Pressures Pump #1	Pump #2	Pump #3
										1/4	46	270		
1	9 x 6	3.15	117	375	1350			350	218	1/2	50	350		
2	14 x 5.5	4.37	66		950					3/4	82	700		

BHA

Length: 517.46 Description: 7 7/8" bit (1'), bit sub (3.40'), 10 - 6.25" DC (308.49'), Jars (29.13), 6 - 6.25" DC (174.44')

MUD DATA

	WT.	VIS	PV	YP	GELS	WL	HTHP	CAKE	SLDS %	LGS %	OIL %	SD %	MBT	pH	Pm	Pf/Mf
PIT	8.9	49	14	9	2/6	6.0		2	4			0.50		9		.05/.2

	Chlorides	Ca++	Smpl Temp	F.L. Temp	Shaker Screens #1	#2	Desand	Cent.	Hours	Mud Engineer		Mud Company
PIT	8000	40	114	114	180	180				Mike Welker		Anchor
					#3	#4	Desilt	Mud Cl	Daily Cost			Cumulative Cost
					90				$1,225			$66,484

DIRECTIONAL SURVEYS

MD	TVD	ANGLE	Direction	Coordinates		VS		DL	CLOSURE
8675	8675	3.00°							

OPERATIONS SUMMARY

TIME FROM	TIME TO	HOUR	Time Code	Boats: Supply Boat Name: ____ Status: ____ Crew Boat Name: Status:
0600	0630	0.5	5	Drilling from 8695' to 8700'. Reached TD @ 6:30 AM.
0630	0800	1.5	3	Circulate and Condition hole.
0800	0900	1.0	21	Short trip, 20 stands - no drag.
0900	1130	2.5	28	Cut drilling line
1130	1230	1.0	21	GIH to TD. No fill.
1230	1400	1.5	3	Circulate and Condition hole.
1400	1430	0.5	20	Survey @ 8675' - 3 deg.
1430	2100	6.5	21	POOH for electric logging.
2100	0600	9.0	8	RU Phoenix Surveys electric loggers. Running Induction, Density
				Neutron, Gamma Ray, Caliper, SP, Sonic and Micro logs.
				RD mud loggers
Total Hours		24.0		

Time Summary

Activity	Daily	Cum.
1. Mob/DeMob		16
2. Cement		4.5
3. Circulate	3	35.25
4. Directional Work		
5. Drilling	0.5	373.5
6. Drive Pipe		
7. Fishing		
8. OH Logging	9	9
9. Lost Circ.		
10. Drill Cmt./LOT		1.75
11. N.U./ N.D.		7.5
12. P.U./L.D. BHA		5.25
13. P.U./L.D. Pipe		
14. R/U; R/D		
15. Rig Repair		22.5
16. Run Casing		2
17. Service Rig		10
18. Sidetrack Op.		
19. Stuck Pipe		18
20. Survey	0.5	13.25
21. Trips	8.5	41.5
22. Tst. BOPs		4
23. UR/HO		
24. W.O.W.		
25. Wash & Ream		5
26. Well Control		
27. WOC		6
28. Other	2.5	8
Total	24	583

Rig Downtime		Fuel Usage			Bulk Material on Board		Previous Cost	$642,365
Daily		Daily	420	Gals	Cement:	sx	Daily Cost	$16,966
Cum.	22.5 hrs	Cum.	16479	Gals	Barite:	sx	Cum. Cost	$659,331

43-019-31401
21S 20E 16

NOTICE

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.

- Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - A copy of electric and radioactivity logs, if run
  - A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
  - A copy of core analyses, and lithologic logs or sample descriptions if compiled
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

As of the mailing of this notice, the division has not received the required reports for

Operator: MSC EXPLORATION LP Today's Date: 08/02/2005

Well: API Number: Drilling Commenced:

SEE ATTACHED LIST:

No monthly drilling reports since 12/2004

To avoid compliance action, required reports should be mailed within 7 business days to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

If you have questions or concerns regarding this matter, please call (801) 538-5284.

cc: Well File
Compliance File

Operator	Location Twp-Rng-Sec			Well Name	API Number	Spud Date - Dry	Spud Date - Rotary	Lease Type
MSC EXPLORATION, LP	210S	200E	16	STATE MSC 16-1	4301931401	05/14/04	05/17/04	State
MSC EXPLORATION, LP	210S	190E	35	STATE MSC 35-1	4301931404	07/27/04		State
MSC EXPLORATION, LP	210S	180E	02	CACTUS ROSE MSC 2-1	4301931402	09/09/04		State
MSC EXPLORATION, LP	210S	200E	02	N THOMPSON 2-1	4301931412	10/29/04		State
MSC EXPLORATION, LP	210S	190E	26	FEDERAL MSC 26-1	4301931407	11/08/04	11/12/04	Federal

NO WELL COMPLETION OR RECOMPLETION REPORT AND LOG RECEIVED FOR THE FEDERAL MSC 26-1

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A

7. UNIT of CA AGREEMENT NAME: N/A

8. WELL NAME and NUMBER: State MSC 16-1

9. API NUMBER: 43-019-31401

10. FIELD AND POOL, OR WILDCAT: wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR: MSC Exploration LP

3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. Ste 380, Houston, TX 77060 — PHONE NUMBER: 281-931-8933

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1270 FNL + 800 FEL — COUNTY: GRAND
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E S — STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☒ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☒ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Produced water to be pumped back into well.

RECEIVED
SEP 30 2005
DIV. OF OIL, GAS & MINING

REQUEST DENIED
Utah Division of
Oil, Gas and Mining
Date: 10-03-05
By: [signature]

COPY SENT TO OPERATOR
Date: 10-11-05
Initials: CHD

NAME (PLEASE PRINT) Lynn Faust — TITLE Administrator

SIGNATURE L Faust — DATE 9-30-05

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER

b. TYPE OF WORK: NEW WELL ☒ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

2. NAME OF OPERATOR: MSC Exploration LP

3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. Ste. 380, Houston, TX 77060 — PHONE NUMBER: 281-931-8933

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1270 FNL + 800 FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
7. UNIT or CA AGREEMENT NAME: N/A
8. WELL NAME and NUMBER: State MSC 16-1
9. API NUMBER: 43-019-31401
10. FIELD AND POOL, OR WILDCAT:
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E S
12. COUNTY: Grand
13. STATE: UTAH

14. DATE SPUDDED: 5/18/04
15. DATE T.D. REACHED: 6/8/04
16. DATE COMPLETED: 5-17-05 ABANDONED ☐ READY TO PRODUCE ☐
17. ELEVATIONS (DF, RKB, RT, GL): 15

18. TOTAL DEPTH: MD 8700 TVD 8700
19. PLUG BACK T.D.: MD 8163 TVD 8143
20. IF MULTIPLE COMPLETIONS, HOW MANY?
21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): MUD LOG, DIB/GR, CDL/CN/GR, SONIC already submitted CBL

23. WAS WELL CORED? NO ☒ YES ☐ (Submit analysis)
WAS DST RUN? NO ☒ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☒ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20	16	LP	Surf	100	—	G.		Surf.	
14	9 5/8 J55	24.0	Surf.	505		Cl.G 367		Surf.	
7 7/8	5 1/2 L80	17.0	Surf.	8700	5512	50:50 P 192		Surf.	
						P2 510		5512	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2.875	4BO	—						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A)				
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6858 6868	4	40	Open ☒ Squeezed ☐
8440 - 76	4	124	Open ☒ Squeezed ☐
8206 - 8222	4	64	Open ☒ Squeezed ☐
			Open ☒ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:
☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: Shut-in

(5/2000) (CONTINUED ON BACK)

RECEIVED
DEC 12 2005
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #28)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)

35. ADDITIONAL REMARKS (Include plugging procedure)

Have closed Pit - getting prices on reclaiming site

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Lynn Faust TITLE Administrator

SIGNATURE L Faust DATE 10-7-05

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

RECEIVED
DEC 12 2005
DIV. OF OIL, GAS & MINING

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☑ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State MSC 16-1
9. API NUMBER: 4301931401
10 FIELD AND POOL, OR WILDCAT: WILDCAT

1a. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ DRY ☐ OTHER

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

2. NAME OF OPERATOR: MSC Exploration

3. ADDRESS OF OPERATOR: 1645 Court Pl. #300 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 468-0656

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1270 FNL & 800 FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 1270 FNL & 800 FEL
AT TOTAL DEPTH: 1270 FNL & 800 FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E
12. COUNTY: GRAND
13. STATE: UTAH

14. DATE SPUDDED: 5/18/2004
15. DATE T.D. REACHED: 6/8/2004
16. DATE COMPLETED: 11/17/2004 ABANDONED ☐ READY TO PRODUCE ☐
17. ELEVATIONS (DF, RKB, RT, GL): 15' RKB

18. TOTAL DEPTH: MD 8,700 TVD 8,700
19. PLUG BACK T.D.: MD 8,173 TVD 8,173
20. IF MULTIPLE COMPLETIONS, HOW MANY? *
21. DEPTH BRIDGE PLUG SET: MD 8,173 TVD 8,173

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Dual Induction, Comp Density, Comp Neutron, GR, SP, Sonic

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20	16 LP		0	100				0	0
12 1/4	8 5/8 J55	24	0	505		G 367	440	0	0
7 7/8	5 1/2 L80	17	0	8,690	5,512	G 1,506	411	~~2884~~	~~120,000~~

CONFIDENTIAL PERIOD EXPIRED ON 12-17-06

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	6,750	6,750						

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Pennsylvanian	7,056		7,056	
(B) Pennsylvanian	7,056		7,056	
(C) Cutler	5,964	7,056	5,964	7,054
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
8,446	8,476	.43	120	Open ☐ Squeezed ☑
8,206	8,222	.43	64	Open ☐ Squeezed ☑
6,858	6,868	.43	40	Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
8446' - 8476'	60 bbls, 15% Hcl Acid/ W Iron Control, Corrosion Inhibitor, Clay Stabilizer, Friction Reducer, Non-Em
6858' - 6868'	6% Kcl Water And Halliburton A-19 Iron Chloride Surfactant

29. ENCLOSED ATTACHMENTS:
☑ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: TEMP SI

(5/2000)

(CONTINUED ON BACK)

MAY 01 2006
DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.

34. FORMATION (Log) MARKERS:

Name	Top (Measured Depth)
Dakota SS	2,837
Curtis	3,680
Carmel	4,200
Navajo	4,322
Wingate	4,823
Chinle	5,079
Cutler	5,964
Pennsylvanian Top	7,056

35. ADDITIONAL REMARKS (Include plugging procedure)

Well temporarily SI waiting on completion, RBP @ 8393' & 8173'

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) R.E. Knight TITLE Agent

SIGNATURE R E Knight DATE 4/17/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

State MSC 16-1
API # 4301931401

1270 FNL & 800 FEL

Spud Date:	**6/9/2004**

Depth	survey
460	2.00
1010	1.25
1505	1.75
2063	1.75
2522	1.75
2973	1.25
3530	1.25
4022	1.00
4947	1.00
5890	1.75
6382	2.00
6881	3.00
7098	3.00
7311	3.00
8240	2.00
8675	3.00

FORM 5

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: _____

LEASE NUMBER: _____

and hereby designates

NAME: Tidewater Oil & Gas LLC N3000

ADDRESS: 1645 Court Place, Suite 301

city DENVER state CO zip 80202

as his (check one) agent ☑ / operator ☑, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

~~43-019-31401 STATE MSC 16-1~~ #
43-019-31402 CACTUS ROSE MSC 2-1
~~43-019-31404 FEDERAL MSC 26-1~~ ER
43-019-31408 STATE MSC 35-2
43-019-31394 STATE 1-32
43-019-31399 STATE 21-19 (32-16D)
43-019-31404 STATE MSC 35-1
43-019-31412 N THOMPSON 2-1

APPROVED 10/25/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

MSC HAS BONDED THESE WELLS - ER

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 10/10/2006

BY: (Name) Michael Cornish
(Signature) _____
(Title) President
(Phone) (203) 994-1079

OF: (Company) MSC Exploration, LP N2595
(Address) 369 Florida Hill Rd.
city RIDGEFIELD
state CT zip 06877

RECEIVED
OCT 25 2006
DIV. OF OIL, GAS & MINING

(5/2000)

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **2/12/2008**

FROM: (Old Operator):	**TO:** (New Operator):
N3000-Tidewater Oil & Gas Company, LLC	N3440-NAE, LLC
110 16th St, Suite 1200	16800 Imperial Valley Dr, Suite 380
Denver, CO 80202	Houston, TX 77060
Phone: 1 (303) 327-7134	Phone: 1 (281) 931-8933

CA No. **Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 2/26/2008
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/22/2008
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 1/15/2008

4a. Is the new operator registered in the State of Utah: _____ Business Number: 6666480-0161

4b. If **NO**, the operator was contacted contacted on:

5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE

5b. Inspections of LA PA state/fee well sites complete on: ok

5c. Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA
7. **Federal and Indian Units:**
   The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
8. **Federal and Indian Communization Agreements ("CA"):**
   The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 2/27/2008
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 2/27/2008
3. Bond information entered in RBDMS on: 2/27/2008
4. Fee/State wells attached to bond in RBDMS on: 2/27/2008
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 2/27/2008

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000296
2. Indian well(s) covered by Bond Number: n/a

3a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 8030575893

3b. The **FORMER** operator has requested a release of liability from their bond on: 2/22/2008

The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER

8. WELL NAME and NUMBER: See attached List

2. NAME OF OPERATOR: NAE, LLC N3440

9. API NUMBER:

3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr. CITY Ste. 380 HOUSTON STATE TX ZIP 77060 PHONE NUMBER: (281) 931-8933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

NAE, LLC will be assuming all plugging and reclamation liabilities for the wells on the schedule attached hereto.

Effective Date: 2/12/08

Federal Bond Number: UTB000296
State Bond Number: 8030575893

Name: Tidewater Oil & Gas Company LLC. Address: 110 16th St., Ste 1200, Denver, CO 80202

N3000

Signature:

Title: Manager

Date: 02/21/08

NAME (PLEASE PRINT) MICHAEL CORNISH TITLE MANAGER NAE

SIGNATURE DATE 2/13/08

(This space for State use only)

APPROVED 2/27/08
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

(5/2000)

RECEIVED
FEB 22 2008
DIV. OF OIL, GAS & MINING

well_name	sec	twp	rng	api	entity	lease	well	stat
FEDERAL MSC 26-1	26	210S	190E	4301931407	14785	Federal	GW	S
FEDERAL 7-34-2122	07	210S	220E	4301931484		Federal	OW	APD
BLACK HAT FED 18-43-2224	18	220S	240E	4301931495		Federal	OW	APD
OLD SAGERS FED 13-32-2222	13	220S	220E	4301931497		Federal	OW	APD
STATE 1-32	32	210S	190E	4301931394	13598	State	OW	PA
STATE 21-19 (32-16D)	32	210S	190E	4301931399	13903	State	OW	TA
STATE MSC 16-1	16	210S	200E	4301931401	14166	State	OW	S
STATE MSC 35-1	35	210S	190E	4301931404	14259	State	GW	S
N THOMPSON 2-1	02	210S	200E	4301931412	14376	State	GW	OPS
TIDEWATER ST 23-5	23	210S	230E	4301931466	16258	State	OW	PA
TIDEWATER ST 23-2	23	210S	230E	4301931467		State	GW	APD
TIDEWATER ST 23-1	23	210S	230E	4301931468		State	GW	APD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	* Please see attached schedule *
API number:	
Location:	
Company that filed original application:	Tidewater oil + Gas Company
Date original permit was issued:	
Company that permit was issued to:	

Check one	Desired Action:
	Transfer pending (unapproved) Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
X	**Transfer approved Application for Permit to Drill to new operator**
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		X
If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		X
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		X
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		X
Has the approved source of water for drilling changed?		X
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		X
Is bonding still in place, which covers this proposed well? Bond No. 8030575893	X	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Michael Corgish Title MANAGER
Signature Date 2-26-08
Representing (company name) NAE, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

RECEIVED
FEB 26 2008
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
7. UNIT or CA AGREEMENT NAME: NA
8. WELL NAME and NUMBER: STATE MSC 16-1
9. API NUMBER: 4301931401
10. FIELD AND POOL, OR WILDCAT: Wildcat

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Shut-in well
2. NAME OF OPERATOR: NAE, LLC
3. ADDRESS OF OPERATOR: 110 16th St, Ste 1220 CITY Denver STATE CO ZIP 80202 PHONE NUMBER: (303) 327-7169
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1270' FNL & 800' FEL COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☑ TUBING REPAIR
	☑ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: casing & tubing inspection & testing
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

NAE, LLC intends to MIRU Professional Well Service Rig #1 on Monday, July 21, 2008. NU & test BOPE. Pull tubing and lay on racks. Inspect and clean tubing. Run casing scraper and casing inspection log. Set retrievable bridge plug above existing perfs. Pressure test 5.5" 17.0 ppf N80 LTC casing to 2500 psi surface pressure. Retrieve bridge plug. Run tubing back in hole. Release rig pending design of hydraulic fracture treatment.

This operation was verbally approved by Dustin Doucet with the State of Utah Division of Oil, Gas & Mining at ~1500 hours on 07/17/2008.

COPY SENT TO OPERATOR
Date: 7·23·2008
Initials: KS

NAME (PLEASE PRINT) Walter D. Lowry TITLE Operations Manager
SIGNATURE DATE 7/18/2008

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7/18/08
BY: (See Instructions on Reverse Side)

RECEIVED
JUL 18 2008
DIV. OF OIL, GAS & MINING

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760
6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
7. UNIT or CA AGREEMENT NAME: NA
8. WELL NAME and NUMBER: State MSC 16-1
9. API NUMBER: 4301931401
10. FIELD AND POOL, OR WILDCAT: Wildcat

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____
2. NAME OF OPERATOR: NAE, LLC
3. ADDRESS OF OPERATOR: 1109 16th Street, Suite 1220 Denver CO 8/0202 PHONE NUMBER: (303) 327-7169
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1270' FNL & 800' FEL COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☑ REPERFORATE CURRENT FORMATION
Approximate date work will start: 9/8/2008	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: P&A existing Cutler perfs.
	☐ CONVERT WELL TYPE	☑ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

NAE, LLC proposes to permanently abandon the existing perfs in the Cutler Formation from 6858' - 6868' and reperforate the well in another Cutler electric log show from 5962' - 5982'.

1. MIRU Professional Well Service Rig #1. PU rental tubing.
2. TIH and set cement retainer at ~ 6850' above existing Cutler perfs from 6858-6868'.
3. Squeeze 20 sx of Class 'G' Neat cement mixed at 15.6 ppg + 2% $CaCl_2$ with a yield of 1.18 cf/sx below retainer and dump 3 sx of cement on top of retainer.
4. Swab well down and place 500' of 6% KCl water over proposed perf interval. POOH w/ Tubing.
5. TIH w/ perf guns and perf Cutler porosity zone from 5962'-5982'. Observe well.
6. Load hole with 6% KCl water and surfactant. Perform break down operation.
7. Swab well to evaluate for gas production potential. Obtain samples of formation fluid , if any.
8. Release Rig.
9. RU rental portable test separator and test well for up to 5 days.

COPY SENT TO OPERATOR
Date: 9.15.2008
Initials: KS

NAE currently has a rig on location and would like to begin the aforementioned operations as soon as possible.

NAME (PLEASE PRINT) Walter D. Lowry TITLE Operations Manager
SIGNATURE _____ DATE 9/8/2008

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 9/19/08
BY: _____

RECEIVED
SEP 08 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

State MSC 16-1
Well Construction Diagram

REVISED wdl 09-09-08

Well: State MSC 16-1
Well Type: Vertical Cutler Well
API Number: 43-019-31401
Surface Location: 1270' FNL & 800' FEL
Bottom Hole Location: 1270' FNL & 800' FEL
Total Depth: 8700'
Proposed Work Date: 09 September 2008
Author-Version-Date: W. Lowry - Version 1 - 08 September 2008

NORTH AMERICAN EXPLORATION, LLC

S-T-R: Sec 16-T21S-R20E
Field: Wildcat
Lease Number ML-46760
Elevation (ft): 5,254'
KB to GL (ft): 15'
RKB (ft): 5,269'
Objectives: P&A existing perfs & add Cutler perfs

Formation Tops	Casing and Cement	Depth (ft)	Hole Size	Perforations

11" 3M Wellhead

Quaternary Alluvium at Surface — 100' BGL — 16" conductor

14" Hole — Drill w/ air and air hammer

Cement Surface Casing w/ 367 sxs of Class G, 2% CaCl2, 1/4# celo @ 600 psi.

Surface: 8 5/8" 24# J55 STC (0 - 505')

Mancos Shale @ 857'

Ferron Sandstone @ 1933'

Juana Lopez @ 2193'

Dakota Silt @ 2534'

Dakota Sand @ 2695'

Morrison @ 2867' (Top of the Jurassic)

Summerville @ 3354'

Moab Tongue @ 3680'
Entrada @ 3775'

Carmel @ 4201'
Navaio @ 4326'

Kaventa @ 4633'

Wingate @ 4817'

Chinle @ 5165'

DV tool @ 5512'. Previously found @ 5465' and drilled out.

Moenkopi @ 5378'

7-7/8" Hole

Proposed Cutler Perforations f/ 5962'-5982'

Cutler @ 5964'

Cement casing w/ 856 sxs, 192 bbls., 50-50 poz Class G w/ 3% CaCl2 + .25 #/sx cello flake + .4 #X/sx. Kol seal + 5% FL52 + 2% bentonite + H2O. Plug bumped w/ 202 bbls displaced @ 1000 psi. Float held 15 minutes. Open DV tool @ 5512'. Circulate through DV tool. Cement 2nd stage w/ Lead of 510 sxs, 188 bbls., Premium Lite II + 5#/sx CSE + .25 #/sx cello flake + 3 #X/sx. Kol seal + 1.5% NA metasilicate + 6% bentonite + H2O. Tail of 140 sxs, 31 bbls., 50-50 Poz Class G + 3% CaCL2 + .25#/sx cello flake + .4 #/sx kol seal + 5% FL52 + 2% bentonite + H2O. Plug bumped w/ 128 bbls displaced @ 1500 psi. Float held 15 mins.

Proposed P&A Procedure: Set cement retainer at ~ 6850'. Squeeze approximately 20 sx (100+') Class 'G' cement + 2% CaCl2 mixed @ 15.6 ppg with a yield of 1.08 cf/sx below retainer to P&A existing Cutler perfs from 6858'- 6868'. Dump ~ 3 sx cement on top of retainer.

Existing Cutler Perforations f/ 6858'-6868'
.43" holes, 40 shots w/ 43" penetration. 4 shots/ft.

Set RBP @ 8173'. Dump 1 sx 40/50 sand on RBP, top of sand 8163'.

Perforated 8206' to 8222'. 64 holes, 0.43" holes, 43" penetration

Set RBP @ 8393' KB. Dump 2 sx 40/50 sand (15' fill) on RBP.

Previously P&A'd Perforations f/ 8446' to 8476' w/ 4 shots per foot w/ 0.43" jets 43" penetration. Total of 120 holes.

RU Phoenix Surveys electric loggers. Running Induction, Density Neutron, Gamma Ray, Caliper, SP, Sonic and Micro logs.

8682' PBTD
8700' MD

TD 8700' MD, TVD — Production Casing: 5 1/2" 17.0 #/ft L80 LTC @ 8690'

APPROVALS

Prepared By: 08 September 2008
Walter D. Lowry

Approved By:

wdl
v3
09-09-08

PHOENIX SURVEYS, INC.

COMPENSATED DENSITY
COMPENSATED NEUTRON
GAMMA RAY

Company MSC Exp. L.P.
Well State MSC 16-1
Field Wildcat
County Grand
State Utah

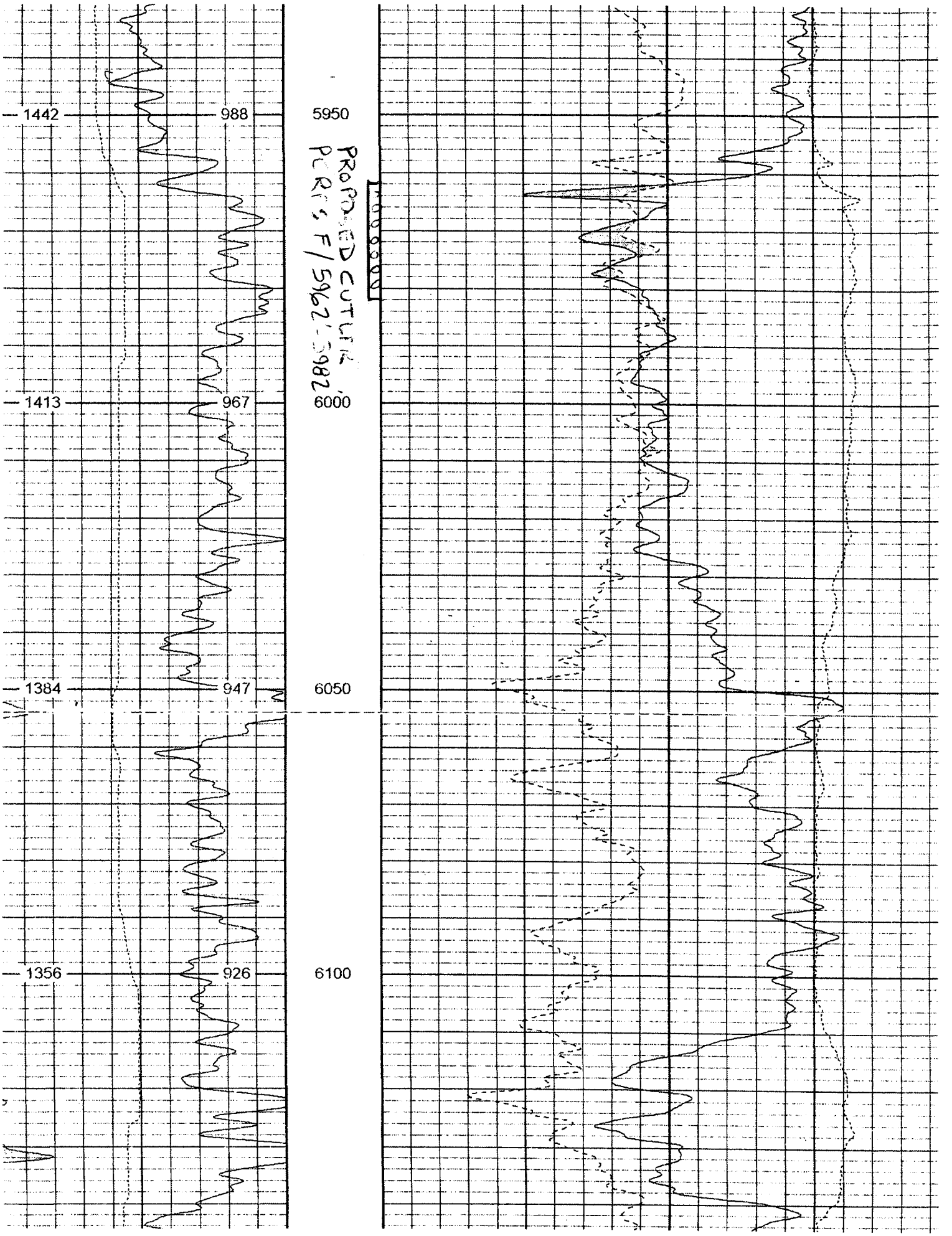
Company	MSC Exploration L.P.		
Well	State MSC 16-1		!!! Tight Hole !
Field	Wildcat		
County	Grand	State	Utah
Location	API # 43-019-31401 1270' FNL & 800' FEL NE NE Sec - 16, Twp - 21S, Rge - 20E		

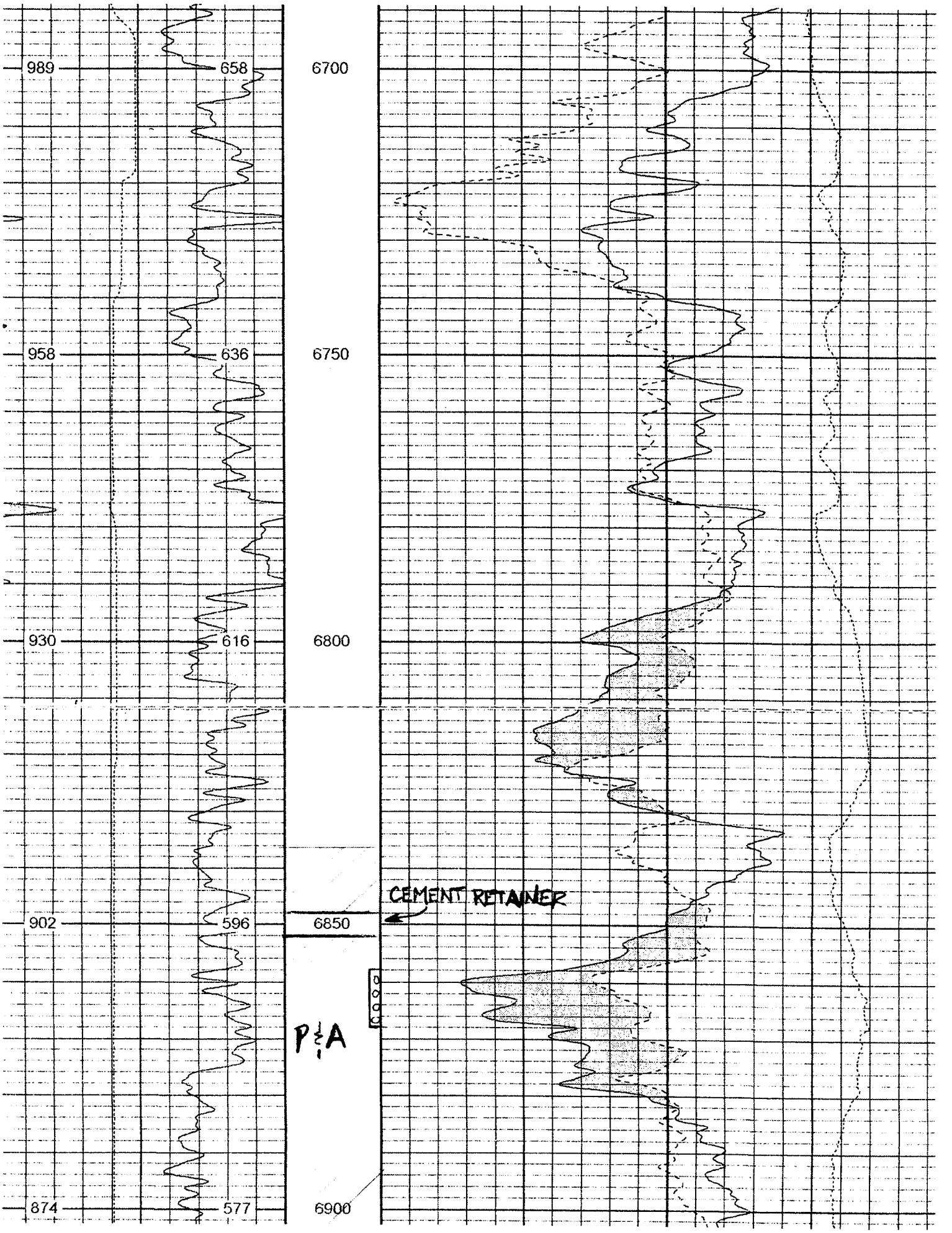
Other Services
Dual Induction Sonic

Permanent Datum	G.L.	Elevation	5254'
Log Measured From	K.B.		
Drilling Measured From	K.B.		

Elevation
K.B. 5269'
D.F. 5268'
G.L. 5254'

Date	June 9, 2004	!!! Tight Hole !!!
Run Number	1	
Depth Driller	8700'	
Depth Logger	8698'	
Bottom Logged Interval	8678'	
Top Log Interval	Casing	
Casing Driller	8-5/8" @ 505'	
Casing Logger	505'	
Bit Size	7.875	
Type Fluid in Hole	KCL - Poly	
Density / Viscosity	9.2 / 58	!!! Tight Hole !!!
pH / Fluid Loss	9.2 / 5.8	
Source of Sample	Mudpit	
Rm @ Meas. Temp	.73 @ 96° F	
Rmf @ Meas. Temp	.59 @ 96° F	
Rmc @ Meas Temp	.98 @ 96° F	
Source of Rmf / Rmc	Calc / Calc.	
Rm @ BHT	.45 @ 168 F	
Time Circulation Stopped	1400	
Time Logger on Bottom	2130	
Maximum Recorded Temperature	168° F	
Equipment Number	4057	
Location	Roosevelt, UT	!!! Tight Hole !!!


1442
988
5950
PROPOSED CUTOFF
PCR's F/5962'-5982'
1413
967
6000
1384
947
6050
1356
926
6100


989
658
6700
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6850
CEMENT RETAINER
P&A
874
577
6900

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NA

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Dry Hole

8. WELL NAME and NUMBER: State MSC 16-1

2. NAME OF OPERATOR: NAE, LLC

9. API NUMBER: 4301931401

3. ADDRESS OF OPERATOR: 110 16th Street, Ste 1220 Denver CO 80202

PHONE NUMBER: (303) 327-7169

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1270' FNL & 800' FEL

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: 9/17/2008	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☑ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug across existing Cutler perfs, across DV tool and above Chinle top from 5100' to 6028' (928'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (121 cu ft or ~ 112 sx). Set P&A plug across top of Jurassic Top from 2800'-2900' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx). Set P&A plug across surface casing shoe from 450'-550' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx). Set P&A plug at surface from 0'-100' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx). Set P&A plug in 5-1/2" x 8-5/8" annulus from 0'-100' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (19 cu ft or ~ 18 sx). Cut off casing 3' BGL. Weld on dry hole marker. Pull cellar ring. Fill cellar. Reclaim location.

COPY SENT TO OPERATOR
Date: 9.23.2008
Initials: KS

NAME (PLEASE PRINT): Walter Lowry

TITLE: Manager of Operations & Engineering

SIGNATURE: W Lowry

DATE: 9/16/2008

This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 9/16/08
BY: [signature]
* See Conditions of Approval (Attached)

RECEIVED
SEP 16 2008
DIV. OF OIL, GAS & MINING

5/2000) (See Instructions on Reverse Side)

State MSC 16-1
Proposed P&A Schematic

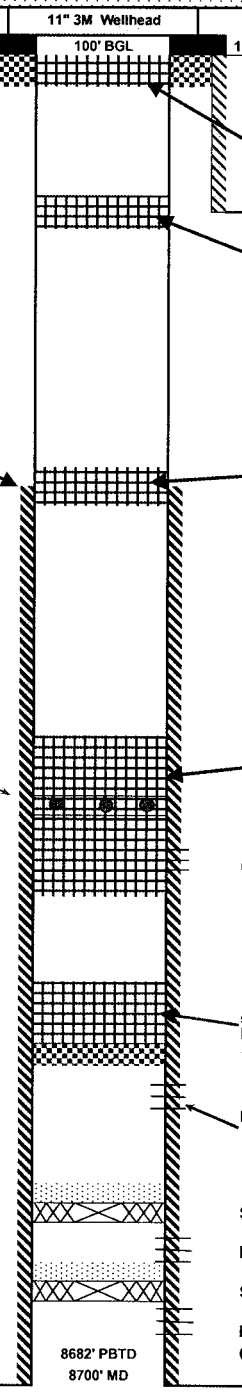
REVISED wdl 09-16-08

Well: State MSC 16-1
Well Type: Vertical Cutler Well
API Number: 43-019-31401
Surface Location: 1270' FNL & 800' FEL
Bottom Hole Location: 1270' FNL & 800' FEL
Total Depth: 8700'
Proposed Work Date: 16 September 2008
Author-Version-Date: W. Lowry - Version 1 - 16 September 2008

NORTH AMERICAN

S-T-R: Sec 16-T21S-R20E
API Number: 43-019-31401
Lease Number: ML-46760
Elevation (ft): 5,254'
KB to GL (ft): 15'
RKB (ft): 5,269'
Objectives: P&A existing perfs & add Cutler perfs

Formation Tops	Casing and Cement	Depth (ft)	Hole Size	Perforations



Quaternary Alluvium at Surface

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug in 5-1/2" x 8-5/8" annulus from 0'-100' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (19 cu ft or ~ 18 sx). Cut off casing 3' BGL. Weld on dry hole marker. Pull cellar ring. Fill cellar. Reclaim location.

Surface: 8 5/8" 24# J55 STC (0 - 505')

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug at surface from 0'-100' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx).

Mancos Shale @ 857'

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug across surface casing shoe from 450'-550' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx).

Ferron Sandstone @ 1933'

Juana Lopez @ 2193'

Dakota Silt @ 2534'

TOC @ 2840' per CBL.

Dakota Sand @ 2695'

Morrison @ 2867' (Top of the Jurassic)

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug across top of Jurassic Top from 2800'-2900' (100'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (13 cu ft or ~ 12 sx).

Summerville @ 3354'

Moab Tongue @ 3680'
Entrada @ 3775'

Carmel @ 4201'
Navaio @ 4326'

Kaventa @ 4633'

Wingate @ 4817'

Chinle @ 5165'

DV tool @ 5512'. Previously found @ 5465' and drilled out.

Moenkopi @ 5378'

Proposed P&A Operation: As discussed w/ Dustin Doucet of the State of Utah DOGM - Set P&A plug across existing Cutler perfs, across DV tool and above Chinle top from 5100' to 6028' (928'). Plug to be Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx (121 cu ft or ~ 112 sx).

Cutler Perforations f/ 5962'-5978'

Cutler @ 5964'

Actual P&A Operation: Set cement retainer at 6850'. Unable to squeeze cement below the retainer. Place 129' of Class 'G' cement mixed @ 15.6 ppg with a yield of 1.08 cf/sx on top of retainer to P&A existing Cutler perfs from 6858'- 6868'.

Existing Cutler Perforations f/ 6858'-6868'
.43" holes, 40 shots w/ 43" penetration. 4 shots/ft.

Set RBP @ 8173'. Dump 1 sx 40/50 sand on RBP, top of sand 8163'.

Perforated 8206' to 8222'. 64 holes, 0.43" holes, 43" penetration

Set RBP @ 8393' KB. Dump 2 sx 40/50 sand (15' fill) on RBP.

Previously P&A'd Perforations f/ 8446' to 8476' w/ 4 shots per foot w/ 0.43" jets 43" penetration. Total of 120 holes.

TD 8700' MD, TVD Production Casing: 5 1/2" 17.0 #/ft L80 LTC @ 8690'

APPROVALS

Prepared By: 16 September 2008
Walter D. Lowry

Approved By:

wdl
v0
09-16-08

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

CONDITIONS OF APPROVAL TO PLUG AND ABANDON WELL

Well Name and Number:	State MSC 16-1
API Number:	43-019-31401
Operator:	NAE, LLC
Reference Document:	Original Sundry Notice dated September 16, 2008, received by DOGM on September 16, 2008.

Approval Conditions:

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.

2. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. Evidence of compliance with this rule should be supplied to the Division upon completion of reclamation.

3. All annuli shall be cemented from a minimum depth of 100' to the surface.

4. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.

5. If there are any changes to the plugging procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.

6. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Dustin K. Doucet
Petroleum Engineer

September 16, 2008
Date

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Wellbore Diagram

API Well No: 43-019-31401-00-00 **Permit No:** **Well Name/No:** STATE MSC 16-1

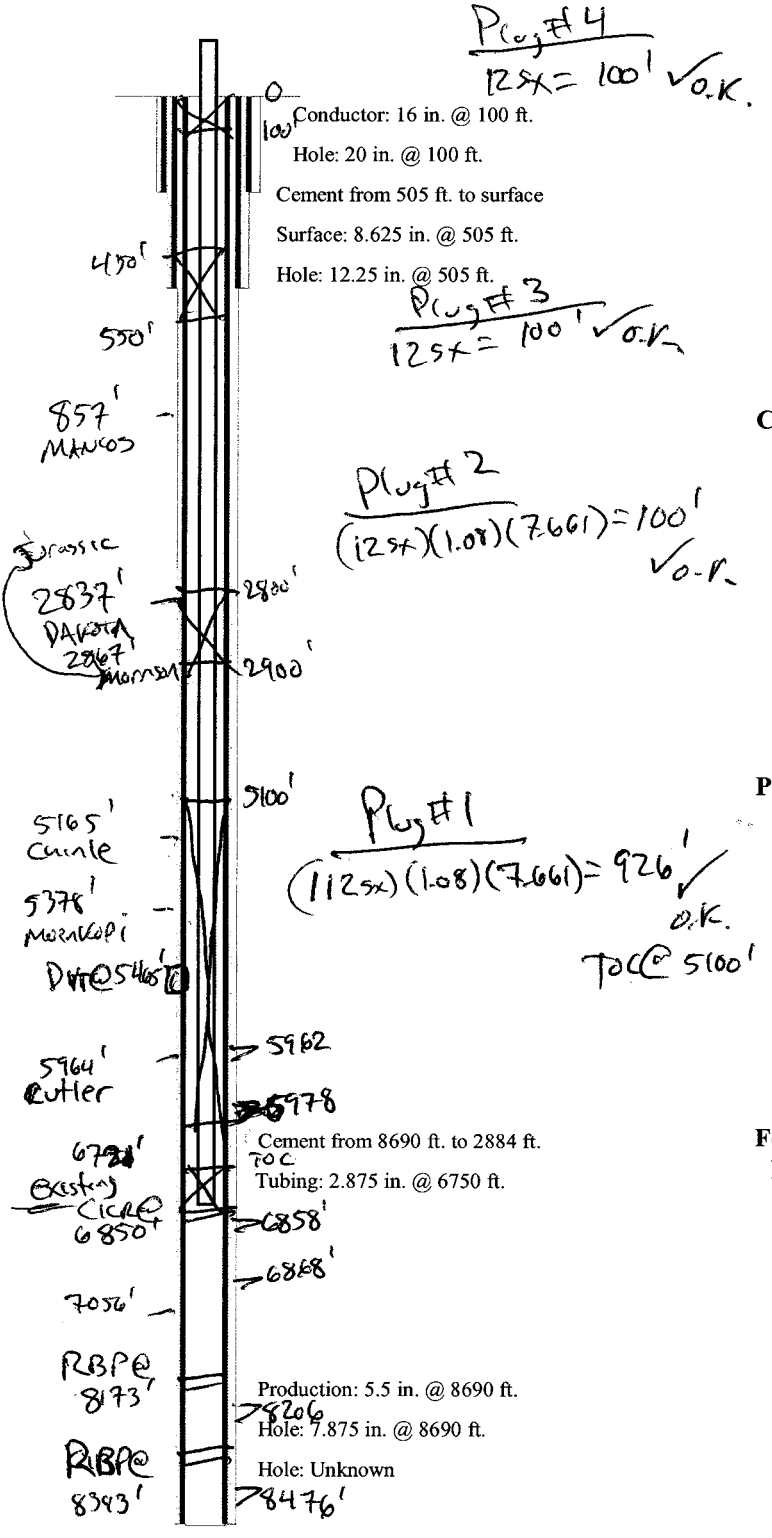
Company Name: NAE, LLC

Location: Sec: 16 T: 21S R: 20E Spot: NENE

Coordinates: X: 612066 Y: 4316137

Field Name: WILDCAT

County Name: GRAND



TD: 8700 **TVD:** 8700 **PBTD:** 8173

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (f/cf)
HOL1	100	20			
COND	100	16			
HOL2	505	12.25			
SURF	505	8.625	24	505	
HOL3	8690	7.875			
PROD	8690	5.5	17	8690	7.661
T1	6750	2.875			

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	8690	2884	G	1506
SURF	505	0	G	367

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
6858	6868			
8206	8476			

Formation Information

Formation	Depth
DKTA	2837
CRTS	3680
CARM	4200
NAVA	4322
WINGT	4823
CHIN	5079
CTLR	5964
PENN	7056

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 29, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6343

Mr. Walter Lowry
North American Exploration, LLC
110 16th Street, STE# 1220
Denver, CO 80202

21S 20E 16

Re: State 21-19 (32-16D) API 43-019-31399; State MSC 16-1 API 43-019-31401;
Cactus Rose MSC 2-1 API 43-019-31402; State MSC 35-1 API 43-019-31404;
N Thompson 2-1 API 43-019-31412
Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

Dear Mr. Lowry:

North American Exploration, LLC has five (5) Mineral Lease Wells (see Attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. It is understood that a couple of these wells have been or will be plugged shortly. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).

2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and

3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3)

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and

2. Copy of recent casing pressure test, and

3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and

4. Fluid level in the wellbore, and

5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Jim Davis, SITLA
Compliance File
Well File

Attachment A

	Well Name	API	Lease Type	Years Inactive
1	STATE 21-19 (32-16D)	43-019-31399	ML-47441	4 Years 11 Months
2	STATE MSC 16-1	43-019-31401	ML-46760	3 Years 9 Months
3	CACTUS ROSE MSC 2-1	43-019-31402	ML-47721	2 Years 9 Months
4	STATE MSC 35-1	43-019-31404	ML-47576	3 Years 5 Months
5	N THOMPSON 2-1	43-019-31412	ML-46759	3 Years 10 Months

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 23, 2009

CERTIFIED MAIL NO.: 7005 0390 0000 7507 4238

Mr. Walter Lowry
North American Exploration, LLC
110 16th Street, STE# 1220
Denver, CO 80202

21S 2DE 16

Subject: **SECOND NOTICE:** Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases

State 21-19 (32-16D) API 43-019-31399; State MSC 16-1 API 43-019-31401; Cactus Rose MSC 2-1 API 43-019-31402; State MSC 35-1 API 43-019-31404; N Thompson 2-1 API 43-019-31412

Dear Mr. Lowry:

North American Exploration, LLC ("NAE") has five (5) Mineral Lease Wells (see Attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

Based on a sundry dated February 13, 2008 it was understood by the Division that NAE would be "assuming all plugging and reclamation liabilities" for the above listed wells. The N THOMPSON 2-1 well had a sundry dated July 18, 2008 with intent to plug and abandon (P&A). Condition of approval to P&A was sent to NAE July 22, 2008. The STATE 21-19 (32-16D) also had a sundry dated August 22, 2008 with intent to P&A. Condition of approval to plug this well was sent September 3, 2008. A notice of SI/TA status for wells listed (Attachment A) was sent via certified mail September 29, 2008. To date the Division has no record of the proposed work being done on these wells, nor received any such correspondence addressing the issue. Please address this matter promptly.

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3)

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and

2. Copy of recent casing pressure test, and

3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and

4. Fluid level in the wellbore, and

5. <u>An explanation of how the submitted information proves integrity.</u>

If the required information is not received within 30 days of the date of this notice, a notice of violation will be issued. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Compliance File
Well File
N:\O&G Reviewed Docs\ChronFile\PetroleumEngineer\SITA

Attachment A

	Well Name	API	Lease Type	Years Inactive
1	STATE 21-19 (32-16D)	43-019-31399	ML-47441	5 Years 3 Months
2	STATE MSC 16-1	43-019-31401	ML-46760	4 Years 2 Months
3	CACTUS ROSE MSC 2-1	43-019-31402	ML-47721	3 Years 2 Months
4	STATE MSC 35-1	43-019-31404	ML-47576	3 Years 10 Months
5	N THOMPSON 2-1	43-019-31412	ML-46759	4 Years 3 Months

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46759
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: State MSC 16-1
9. API NUMBER: 4301931401
10. FIELD AND POOL, OR WILDCAT: Wildcat

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____
2. NAME OF OPERATOR: NAE LLC
3. ADDRESS OF OPERATOR: 16800 Imperial Valley Dr., St CITY Houston STATE TX ZIP 77060 PHONE NUMBER: (281) 931-8933
4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1270 FNL & 800 FEL COUNTY: Grand
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 16 21S 20E STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 7/30/2008	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

*SEE ATTACHED P&A REPORT

RECEIVED
MAR 25 2009
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Lynn Faust TITLE Agent
SIGNATURE L Faust DATE 3-17-09

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

NORTH AMERICAN EXPLORATION

Daily Operations Report

Well Name	MSC STATE 16-1	Date	9/19/2008
Supervisor		DFS	
		DOL	129/20/2008
Daily Cost	$46,950.00	MD	
Cum Cost	$154,900.00	PBTD	

General

Current Status	WELL PLUGGED
24 Hr Summary	SPOT REMAINING PLUGS, CUT OFF WELL HEAD BART KETTLE W/ UTAH STATE DNR ON LOCATION SENT WATER SAMOLE IN TO FARMING TON AND DUNCAN FOR ANYLSIS
24 Hr Forecast	WELD ON DRU HOLE MARKER
Comments	

Time Summary

Step	Depth	From	To	Duration	Operation	Phase	Class	OpCode
				0.00	TAG CEMENT @ 4817' TOOH TO 2900' MIX AND PUMP 3 .3 BBLS CEMENT COVER FROM 2902' TO 2772' TOOH TO 2600' REVERSE OUT CENT 3.3 BBLS CLASS G YEILD 1.18 15 SXS			
				0.00	WAIT 2 HRS TOOH TO 569' PUMP 3.8 BBLS CENT PUMP 2 BBLS SPACER COVER FROM 569; TO 400' CEMENT 3.8 BBLS CLASS G YEILD 1.18 15.6# 19SXS			
				0.00	TOOH TO 129' PUMP 3.5 BBLS CENT TOOH TO SURFACE, COVER FROM 126' TO SURFACE 3..5 BBLS CENT YEILD 1.18 15.6# 15 SXS CUT OFF WELL HEAD			
				0.00	RUN 1" PIPE IN SURFACE COULD NOT GO BEYOND 15' PUMP 8.6 BBLS TO SURFACE CLEAN UP RIG DOWN EQUIPMENT RELEASED ALL EQUIPMENT @ 5:30 PM MOVE EQUIPMENT OFF LOCATION			
				0.00	SENT WORK STRING BACK TO FARMINTON MOVED 113 JOINTS INSPECTED YELLOW BAND TBG TO CECIL GUSTINSYARD			
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
			Total Time Summary	0.00				

Daily Costs

C/O	Class/Code/Sub	Details	Qty	Cost/Qty	Cost	Vendor
x		WELL SITE SUPERVISION	$1.00	1200	$1,200.00	UP FRONT
		RIG COST	1	$5,000.00	$5,000.00	PRO
		WATER	1	$1,500.00	$1,500.00	CASCADE
x		TBG RENT	1	$750.00	$750.00	HITECH
x		CEMENT	1	$35,000.00	$35,000.00	HALLIBURTON
x		WELDER CUT OFF WELL HEAD		$1,250.00	$0.00	CECIL GUSTON
x		TRUCKING RIG MOVE	1	$3,500.00	$3,500.00	ECLISPE
x		TOOL RENTAL			$0.00	
x		PERFORATING			$0.00	
x		TRUCKING RETURN TBG	1	$3,000.00	$3,000.00	3000
		TBG RENT	1	-$3,000.00	-$3,000.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
				Total Daily Cost	$46,950.00	

Remarks

NORTH AMERICAN EXPLORATION

Daily Operations Report

Well Name	MSC STATE 16-1	Date	9/19/2008
Supervisor		DFS	
		DOL	11
Daily Cost	$10,950.00	MD	
Cum Cost	$107,950.00	PBTD	

General

Current Status	upper cutler plugged
24 Hr Summary	SWAB WELL, WAIT ON HALLIBURTON, MIRU CEMENTERS, CEMENT OVER PERFS IN TWO STAGES
24 Hr Forecast	PLUG WELL
Comments	

Time Summary

Step	Depth	From	To	Duration	Operation	Phase	Class	OpCode
				0.00	SWAB WELL, CATCH SAMPLE PUMP 130 BBLS 6.5 %KCL FROM 6028' GEL BASED FLUID MIRU HALIBURTON PUMP 25 BBLS FRESH WATER, PUMP 58SXS CEMENT, CEMENT FROM 6028' TO 5500' 13 BBLS			
				0.00	TOOH TO 5500' REVERSE OUT PUMP 12.6 BBLS CEMENT 58 SXS TOOH TO 4800' REVERSE OUT CLEAN UP BOTTOM PLUG CEMENTED W/ 116 SXS CLASS G NEAT 15.6# CEMENT 26 BBLS			
				0.00	SHUT DOWN WAIT ON CEMENT START PUMPING @ 7:30 PM FINISH @ 11:00 PM			
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
			Total Time Summary	0.00				

Daily Costs

C/O	Class/Code/Sub	Details	Qty	Cost/Qty	Cost	Vendor
x		WELL SITE SUPERVISION	$1.00	1200	$1,200.00	UP FRONT
		RIG COST	1	$7,500.00	[illegible]	PRO
		WATER	1	$1,500.00	$1,500.00	CASCADE
x		TBG RENT	1	$750.00	$750.00	HITECH
x		CEMENT			[illegible].00	HALLIBURTON
x		WELDER CUT OFF WELL HEAD			$0.00	CECIL GUSTON
x		TRUCKING RIG MOVE			$0.00	CASCADE
x		TOOL RENTAL			$0.00	
x		PERFORATING			$0.00	
x					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
				Total Daily Cost	$10,950.00	

Remarks

P4A

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46760

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NA

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER Dry Hole

8. WELL NAME and NUMBER: State MSC 16-1

2. NAME OF OPERATOR: NAE, LLC

9. API NUMBER: 4301931401

3. ADDRESS OF OPERATOR: 110 16th St., Suite 1220 CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 327-7169

10. FIELD AND POOL, OR WILDCAT: Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1270' FNL & 800' FEL

COUNTY: Grand

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NEN 16 21S 20E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☑ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
8/19/2008	☐ COMMINGLE PRODUCING FORMATIONS	☑ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On 08/19/2008, NAE P&A's this well according to revisions made by Dustin Doucet to NAE's Notice of Intent to P&A. The following cement plugs were set in the well. All plugs were mixed at a density of 15.6 ppg, a yield of 1.18 cf/sx, and consisted of Class G neat cement. (see the attached Actual P&A Diagram for visual representation of the plugs).
Plug #1: Set Plug #1 120 sx of cement (141 cf) from 4817' to 6028' across the existing Cutler perfs (5962'-5978') and across and above the DV Tool at 6028'. Circulate 9.3 ppg gelled FW between plugs.
Plug #2: Set Plug #2 17 sx of cement (20 cf) from 2772' to 2902' across the top of the Jurassic formation (Morrison Formation Top at 2867'). Circulate 9.3 ppg gelled FW above this plug to surface.
Plug #3: Set Plug #3 23 sx of cement (27cf) from 400' to 569' across the surface casing shoe at 505'. Circulate 9.3 ppg gelled FW above this plug to surface.
Plug #4: Set Plug #4 15 sx cement (18 cf) from 129' to surface as the surface plug.
Plug #5: Set Plug #5 53 sx cement (62 cf) in the annulus between the 8-5/8" surface casing and 5-1/2" production string until cement stayed at the surface.
The casings were cut of ~3' BGL and a dryhole marker was welded to the casing with pertinent and required well information, The cellar ring was pulled, and the location was prepared for reclamation operations

Subsequent to P&A operations, and during the last week of September, 2008, the State MSC 16-1 location was reclaimed and reseeded according to the Surface Use Plan and the Conditions of Approval attached to the approved APD.

NAME (PLEASE PRINT) Walter Lowry TITLE Consultant

SIGNATURE DATE 4/20/2009

(This space for State use only)

RECEIVED
MAY 19 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

State MSC 16-1
Actual P&A Diagram

NORTH AMERICAN EXPLORATION LLC

Well: State MSC 16-1
Well Type: Vertical Cutler Well
API Number: 43-019-31401
Surface Location: 1270' FNL & 800' FEL
Bottom Hole Location: 1270' FNL & 800' FEL
Total Depth: 8700'
Proposed Work Date: 16 September 2008
Author-Version-Date: W. Lowry - Version 1 - 16 September 2008

S-T-R: Sec 16-T21S-R20E
API Number: 43-019-31401
Lease Number: ML-46760
Elevation (ft): 5,254'
KB to GL (ft): 15'
RKB (ft): 5,269'
Objectives: Plug and Abandon Wellbore

Formation Tops	Casing and Cement	Depth (ft)	Hole Size	Perforations

11" 3M Wellhead

Quaternary Alluvium at Surface

100' BGL

16" conductor

Actual P&A Operation: Set P&A plug in 5-1/2" x 8-5/8" annulus from surface to a minimm depth of 100' BGL). Plug is Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx. Cut off casing 3' BGL. Weld on dry hole marker. Pull cellar ring. Fill cellar. Reclaim location according to the Surface Use Plan and the Conditions of Approval

Actual P&A Operation: Set P&A plug at surface from 0'-129' (129'/15 sx/18 cf). Plug is Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx.

Surface: 8 5/8" 24# J55 STC (0 - 505')

Actual P&A Operation: Set P&A plug across surface casing shoe from 400'-569' (169'). Plug is Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx).

Mancos Shale @ 857'

Ferron Sandstone @ 1933'

Juana Lopez @ 2193'

Dakota Silt @ 2534'

TOC @ 2840' per CBL.

Dakota Sand @ 2695'

Morrison @ 2867' (Top of the Jurassic)

Actual P&A Operation: Set P&A plug across top of Jurassic from 2772'-2902' (130'). Plug is Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx.

Summerville @ 3354'

Moab Tongue @ 3680'
Entrada @ 3775'

7-7/8" Hole

Carmel @ 4201'
Navajo @ 4326'

Kaventa @ 4633'

Wingate @ 4817'

Chinle @ 5165'

DV tool @ 5512'. Previously found @ 5465' and drilled out.

Moenkopi @ 5378'

Actual P&A Operation: Set P&A plug across existing Cutler perfs (5962' to 5978'), across DV tool and above Chinle top from 4817' to 6028' (1211'). Plug is Class 'G' neat mixed at 15.6 ppg w/ a yield of 1.08 cf/sx.Plug was tagged and witnesses by UDOGM.

Cutler Perforations f/ 5962'-5978'

Cutler @ 5964'

Actual P&A Operation: Set cement retainer at 6850'. Unable to squeeze cement below the retainer. Place 129' of Class 'G' cement mixed @ 15.6 ppg with a yield of 1.08 cf/sx on top of retainer to P&A existing Cutler perfs from 6858'- 6868'.

Existing Cutler Perforations f/ 6858'-6868'
.43" holes, 40 shots w/ 43" penetration. 4 shots/ft.

Set RBP @ 8173'. Dump 1 sx 40/50 sand on RBP, top of sand 8163'.

Perforated 8206' to 8222'. 64 holes, 0.43" holes, 43" penetration

Set RBP @ 8393' KB. Dump 2 sx 40/50 sand (15' fill) on RBP.

Previously P&A'd Perforations f/ 8446' to 8476' w/ 4 shots per foot w/ 0.43" jets 43" penetration. Total of 120 holes.

8682' PBTD
8700' MD

TD 8700' MD, TVD

Production Casing: 5 1/2" 17.0 #/ft L80 LTC @ 8690'

APPROVALS

Prepared By: 16 September 2008
Walter D. Lowry

Approved By: _____

NORTH AMERICAN

Daily Activity Summary

Well Name: State MSC 16-1
AFE: Maintenance 002
Operator: North American Exploration, LLC

Field: Wildcat
County/Parish/State: Grand/Utah
Contractor:
Date: 5/8/2009

10/15/2008

DAILY SUMMARY

Present Operations:	
Days From Spud:	1611
Present Depth:	
Footage Last 24 Hours:	0.00
Hours Drilling:	
Daily Well Cost:	$0.00
Cumulative Well Cost:	$159,690.00

24 hr Activity:

9/18/2008 SD waiting on plug and abandon operations scheduled for Friday, September 19, 2008. Received approval of proposed plug and abandon procedure from Dustin Doucet of the State of Utah DOGM on Tuesday, September 16, 2008 at 1813 hours via email. See the attachments uploaded in the Staff Files section of the NeoFirma reporting system for copies of the Proposed Plug and Abandon Schematic and the written approval from the State of Utah DOGM. AFE for plug and abandon of existing Cutler perfs from 6858'- 6868', adding perfs to Upper Cutler, and testing well is $122,005. For this operation to date, from its commencement on September 5, 2008, the field estimated cost is $80,540. Tomorrow we plan to plug and abandon the entire well pursuant to the schematic in the "Staff Files" tab under "Wells" in NeoFirma.

9/17/2008 Arrive on location @ 0600 hrs. Held safety meeting- handling gas. Found initial fluid level at 5500'. Make 17 swab runs. Recover 35 bbls. Total recovery from Cutler perfs from 5962'-5978' is 121 bbls of formation fluid. Obtain 5 gallon sample of formation fluid and send off for analysis. Fluid level remained at 5500' throughout swabbing operation (208 psi of hydrostatic on top perf). No shows of oil and no gas present. SD until Friday for P&A operations.

9/16/2008 Arrive on location at 0600 hours. Held safety meeting- swabbing operations. Found FL @ 4800' again. Make 12 swab runs and swab well down to 5500'. Make 12 more swab runs and fluid level remained at 5500'. Revover 62 bbls formation fluid. Total recovery since perforating at 5962'- 5978' is 86 bbls. No shows of oil and no gas evident. SDFN.

9/15/2008 Arrive on location at 0600 hrs. Held safety meeting- perforating. TOOH w/ tubing. MIRU Weatherford. TIH w/ 3-1/8" carrier perf guns loaded at 3 spf 120 deg phasing from 5962'-5978' (48 holes) with a 0.42" EHD and 34" depth of penetration. All shots fired. TIH w/ tubing and RU to swab well. Found FL @ 4800' (700' of fluid entry after perforating). With FL at 4800' (1162' above top Cutler perf) the hydrostatic pressure (reservoir pressure) = 523 psi (no pressure at surface). Swab well down to 5500'. Recover 24 bbls of formation fluid + 6% KCl water. No show of hydrocarbons. SDFN.

9/14/2008 Shut down for Sunday.

9/13/2008 RU swab equipment. Swab well down to 5400'. Proposed new Cutler perfs from 5962'- 5978'. Want to perforate underbalanced. With 6% KCl water (8.65 ppg) 562' above the top proposed perf, the hydrostatic while perforating will be 253 psi. SDFN.

9/12/2008 No activity.

9/11/2008 Arrive on location at 0600 hours. Held safety meeting- pumping operations. MIRU Halliburton. Establish injection rate below cement retainer @ 4 bpm and 1825 psi. Pump 15 bbls. Shut down and WOO. Pressure too high to safely squeeze cement below the retainer. Receive verbal permission from Dustin Doucet of the State of Utah DOGM to place 100' of cement on top of retainer. Sting out of retainer. Pump 15 bbls of spacer. Pump 20 sx (~3 bbls or 25 cf) Class 'G' neat cement mixed at 15.6 ppg with a yield of 1.18 cf/sx. TOC at 6677'. TOOH to 6650. Reverse out excess cement from tubing. Left 6% KCl water from 6850' to surface. POOH w/ tubing. LD stinger. TIH to 6000'. SDFN.

9/10/2008 Arrive on location at 0600 hours. Held safety meeting- tripping and swabbing. Receive approval from Dustin Doucet of the State of Utah DOGM to P&A Cutler perfs from 6858'- 6868'. TIH w/ cement retainer. Set retainer at 6806'. Swab well to obtain water sample. Make 4 swab runs. Recover 24 bbls formation fluid. No oil. No gas. Obtain sample. Fluid level at 3100'. Circulate wellbore. SDFN.

9/9/2008 Wait on approval to P&A existing Cutler perfs from 6858-6868' from State of Utah DOGM.

9/8/2008 Shut down waiting on permission from State of Utah DOGM to P&A existing Cutler perfs.

9/7/2008 Shut down for weekend.

9/6/2008 Shut down for weekend.

9/5/2008 MIRU Professional Well Service #1.

8/18/2008 Arrive on location at 0600 hrs. RIH w/ sandline and tag fluid level at 5300'. POOH and LD tubing. ND BOPE. NU wellhead. RD Professional Well Service #1 and move rig to Federal MSC 26-1.

8/17/2008 Shut down for Sunday.

8/16/2008 Rig Repair. No supervision or rig charges for the day.

8/15/2008 Rig repair. Replace clutch. No supervision charges or rig charges for the day.

8/14/2008 Arrive on location @ 0600 hrs. Hold safety meeting - fluid handling. Found FL @ 4000'. Had 500' of fluid entry into wellbore in 18 hrs. Finish TIH w/ rental tubing to 6000'. Lost clutch on rig. No rig time charged for today. SDFN and wait on mechanic to repair clutch. Sand line also need replaced. New sand line drum to be delivered on Monday and installed.

8/13/2008 Arrive on location @ 0600 hrs. Hold safety meeting - tripping & swabbing. Finish PU 2-7/8" 8rd EUE N80 rental tubing and TIH to 6900. Make 13 swab runs and recover 90 bbls of fluid. Identify initial FL @ 500' from surface. Obtain sample of fluid after swabbing 1st 14 bbls and send to EnviroChem Analytical Labs and Halliburton Lab in Grand Junction for analysis. Swab cup stuck. Pulled out of rope socket. TOOH w/ tubing and recover swab cup. No apparent sand or tight spot. TIH w/ tubing to 3000'. FL @ 4500' when SDFN.

8/12/2008 Arrive on location @ 0600 hrs. Hold safety meeting - rig move operations. MIRU Professional Well Service Rig #1. PU 3000' of 2-7/8" 8rd EUE N80 rental tubing and TIH. SDFN.

7/25/2008 Arrive on location at 0600 hrs. Hold safety meeting on handling tubulars. TOOH and LD rental tubing. RD Professional Well Service Rig #1. Secure well. Prepare to move rig to Thompson North 2-1 to plug and abandon.

7/24/2008 Arrive on location at 0600 hours. MU new Weatherford 40-arm caliper tool and TIH on wireline. Log up with casing inspection tool from 7760' to 500'. Verified perforations from 6858' - 6868'. Found DV tool @ 5452' - 5455'. Maximum recorded temperature 173°F. Casing looks to be in good shape for potential hydraulic fracturing operations. POOH w/ wireline. RD Weatherford. TIH w/ rental tubing. POOH laying down tubing. Rig broke down- tongs. SDFN. Will repair rig tonight and be ready to finish laying down tubing and release rig in the morning.

7/23/2008 Arrive on location at 0600 hours. Hold safety meeting re: wireline operations. Finish laying down tubing, casing scraper & bit. WO Weatherford Wireline truck. RU Weatherford. TIH w/ wireline and sinker bars. Tag RBP @ 8106'. POOH w/ wireline. PU Multi-Arm Caliper Tool (40-arm caliper) and TIH. Could not get logging tool to operate properly. POOH to repair/replace tool and SDFN.

7/22/2008 Arrive on location at 0600 hrs. Hold sfety meeting re: PU tubing and tubing handling. WO rental string of tubing. MU bit and 5.5" 17# casing scraper. PU and tally 235 jts of 2-7/8" tubing to 7400'. TOOH w/ 4800' of tubing. SDFN.

7/21/2008 Fill in rathole and mousehole, and level location. MIRU Professional Well Service Rig #1. Hold safety meeting with PWS crew regarding ND wellhead and NU BOPE. ND wellhead. NU & test 5M BOPE. Unset donut. POOH with 16 joints (~480') of 2-7/8" tubing. LD tubing.

Plan of Operations : PU rental string of 2-7/8" tubing. TIH with 5.5" 17 ppf casing scraper to ~7500'. RU Weatherford and run Multi-Sensor Caliper (MSC) tool to inspect casing and identify perforations.

NORTH AMERICAN EXPLORATION

Daily Operations Report

Well Name	MSC STATE 16-1	Date	7/21/2008
Supervisor		DFS	1
		DOL	1
Daily Cost	$11,140.00	MD	
Cum Cost	$11,140.00	PBTD	

General

Current Status	MIRU ON STATE 16-1
24 Hr Summary	MIRU ON STATE 16-1, ND WH NU BOPE, UNSET DONUT TOOH W/ 16 JOINTS TBG, 2-7/8" SN 2-7/8" XO TO 2-3/8"
24 Hr Forecast	RECEIVE TBG TIH W/ SCRAPER, TOOH W/ TBG RUN CASING INSPECTION LOG
Comments	

Time Summary

Step	Depth	From	To	Duration	Operation	Phase	Class	OpCode
		7:00 AM	11:00 AM	0.17	MOVE RIG FROM CACTUS ROSE TO THE STATE 116-1 LOCATION			
		11:00 AM	2:00 PM	0.13	HOLD SAFETY MEETING MIRU ND/WH-NU BOPE			
		2:00 PM	3:00 PM	0.04	UNSET DONUT, **TOOH W/ 16 JOINTS TBG**			
		3:00 PM	4:00 PM	0.04	TIH W/ TBG, TTOOH **LAY DOWN TBG**			
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
		Total Time Summary		0.38				

Daily Costs

C/O	Class/Code/Sub	Details	Qty	Cost/Qty	Cost	Vendor
x		WELL SITE SUPERVISION	1	$1,200.00	$1,200.00	UP FRONT
		RIG COST	1	$4,500.00	$4,500.00	PRO 1
		RIG MOVE	1	$3,500.00	$3,500.00	
x		LOCATION REPAIR	1	$820.00	$820.00	CASCADE
x		SET ANCHORS	1	$1,120.00	$1,120.00	WESTERN AUGER
x					$0.00	
x					$0.00	
x					$0.00	
x					$0.00	
x					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
				Total Daily Cost	$11,140.00	

Remarks

NORTH AMERICAN EXPLORATION

Daily Operations Report

Well Name	MSC STATE 16-1	Date	7/22/2008
Supervisor	J DURHAM	DFS	2
		DOL	2
Daily Cost	$12,100.00	MD	
Cum Cost	$23,240.00	PBTD	

General

Current Status	WELL SHUT IN W/ BIT, SCRAPER, 2500" TBG IN WELL
24 Hr Summary	PUMU BIT ,SCRAPER TALLY PU, TIH W/ 2-7/8" TBG TO 7400' TOOH W/ 4900' TBG SHUT DOWN DU
24 Hr Forecast	TOOH W/ TBG BIT AND SCRAPER, MIRU WEATHERFORD, WIRELINE RUN CASING LOGS
Comments	

Time Summary

Step	Depth	From	To	Duration	Operation	Phase	Class	OpCode
		6:00 AM	7:00 AM	0.04	ARRIVE ON LOCATION , HOLD SAFETY MEETING			
		7:00 AM	8:30 AM	0.06	WO TBG			
		8:30 AM	2:30 PM	0.25	PUMU BIT SCRAPER AND BIT SUB, PU TALLY TIH 235 JOINTS 2-7/8 TBG TO 7400'			
		2:30 PM	4:00 PM	0.06	TOOH W/ 4900' TBG			
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
		Total Time Summary		0.42				

Daily Costs

C/O	Class/Code/Sub	Details	Qty	Cost/Qty	Cost	Vendor
x		WELL SITE SUPERVISION	1	$1,200.00	$1,200.00	UP FRONT
		RIG COST	1	$4,500.00	$4,500.00	PRO 1
		TBG TRUCKING	1	$2,700.00	$2,700.00	ECLIPSE
x		LOCATION REPAIR			$0.00	CASCADE
x		SET ANCHORS			$0.00	WESTERN AUGER
x		TBG RENTAL	1	$3,700.00	$3,700.00	HI TECH
x					$0.00	
x					$0.00	
x					$0.00	
x					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
				Total Daily Cost	$12,100.00	

Remarks

NORTH AMERICAN EXPLORATION

Daily Operations Report

Well Name	MSC STATE 16-1	Date	7/23/2008
Supervisor	J DURHAM	DFS	3
		DOL	3
Daily Cost	$8,450.00	MD	
Cum Cost	$29,690.00	PBTD	

General

Current Status	WELL SHUT IN
24 Hr Summary	FINISH TRIPPING OUT, LAY DOWN BIT AND SCRAPER, MIRU WEATHERFORD, RIH TO 8106' W/ 3-1/8" TOOLS, POOH, RIH W/ CSG INSPECTION TOOLS, TOOS FAILED
24 Hr Forecast	LOG WELL TIH W/ TBG, TOOH LAY DOWN TBG
Comments	

Time Summary

Step	Depth	From	To	Duration	Operation	Phase	Class	OpCode
		6:00 AM	7:00 AM	0.08	ARRIVE ON LOCATION . HOLD SAFETY MEETING			
		7:00 AM	8:30 AM	0.06	TOOH W/ TBG LAY DOWN BIT SCRAPER			
		8:30 AM	12:00 PM	0.15	WOWL			
		12:00 PM	6:00 PM	0.25	MIRU WL RAN TO PBTD @ 8106" W/ 3-1/8" TOOLS, POOH CALIBRATE TOOLS RIH LOG UP TROUBLE W/ TOOLS, POOH SDFN			
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
				0.00				
		Total Time Summary		0.50				

Daily Costs

C/O	Class/Code/Sub	Details	Qty	Cost/Qty	Cost	Vendor
x		WELL SITE SUPERVISION	1	$1,200.00	$1,200.00	UP FRONT
		RIG COST	1	$4,500.00	$4,500.00	PRO 1
		TBG TRUCKING			$0.00	ECLIPSE
x		LOCATION REPAIR			$0.00	CASCADE
x		SET ANCHORS			$0.00	WESTERN AUGER
x		TBG RENTAL	1	$750.00	$750.00	HI TECH
x					$0.00	
x					$0.00	
x					$0.00	
x					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
					$0.00	
				Total Daily Cost	$8,450.00	

Remarks