<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>07/27/12</td>
<td>Begin location dirt work.</td>
</tr>
<tr>
<td>07/30/12</td>
<td>Working on location</td>
</tr>
<tr>
<td>08/01/12</td>
<td>Finishing location &amp; prep to spud by setting conductor pipe.</td>
</tr>
<tr>
<td>08/02/12</td>
<td>Waiting on cement as of 7:00 am 8/2/12. On 8/1/12 move in, rig up KODA Services drilling co spudder rig. Spudded well at 11:30 am on 8/1/12. Drilled 60&quot; diameter cellar to 6' below ground level. Spudded well with 26&quot; bit and drilled to 103' KB. Set 16&quot;, 65 #/ft conductor casing. Cemented with 9 cubic yards cement from TD to surface. Rig down KODA drilling rig. Will allow cement to set prior to moving in Beredco Rig 1.</td>
</tr>
<tr>
<td>08/10/12</td>
<td>Plan to move Beredco Rig 1 to location on Monday.</td>
</tr>
<tr>
<td>08/14/12</td>
<td>Began rigging up Bd Rig #1.</td>
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<tr>
<td>08/15/12</td>
<td>Finished rigging up. Started drilling 12¼” surface hole @8:30 am, 8/15/12, @50’ KB. Survey 1'/4 @259', 1° @750'.</td>
</tr>
<tr>
<td>08/16/12</td>
<td>Drilling @1074' (1024').</td>
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<tr>
<td>08/17/12</td>
<td>Drilled to 1742' Survey 1° @1742'. Ran 8-5/8&quot;, 23# csg (1748') at 1734’. 430 sx A-Co blend cement w/3% CC, ¼# flakes, 0.2# water control &amp; 150 sx Premium Plus w/2% CC &amp; ¼# flakes. 90 sx circ to reserve pit. Float held. Plug down @3:30 am, 8/17/12.</td>
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<tr>
<td>08/18/12</td>
<td>Drilling @1920' (178')</td>
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<tr>
<td>08/19/12</td>
<td>Drilling @2700' (780'). Survey 1½ @2700'.</td>
</tr>
<tr>
<td>08/20/12</td>
<td>Drilled to 3248' (548'). Pipe stuck in hole. Spotted 30 Bbls of oil &amp; worked pipe free. Tripped pipe to replace jt of drill pipe w/ hole.</td>
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<tr>
<td>08/21/12</td>
<td>Drilling @3898' (650'). Displaced hole w/fresh mud.</td>
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<tr>
<td>08/22/12</td>
<td>Drilled to 4500’ (602’). Making bit trip to ensure hole is in gauge for coring operations.</td>
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<tr>
<td>08/23/12</td>
<td>Drilling @4886' (386').</td>
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<tr>
<td>08/24/12</td>
<td>Drilled to 5233' (347') Survey 1° @5233'. Reached first coring point. TOH to run coring tools. Reamed from 5178’ to TD while TIH w/coring tools.</td>
</tr>
<tr>
<td>08/25/12</td>
<td>Cored to 5252’ (19’). Core barrel packed off – TOH to lay down core #1. Core #1, 5233-5252’, Upper Morrow Sand. Recovered 19’. TIH for Core #2. Reamed from 5160’ to TD. Cored to 5305’ (53’). Core barrel packed off. TOH to lay down Core #2.</td>
</tr>
<tr>
<td>08/26/12</td>
<td>Drilling @5340’ (88’). Ran back in with conventional 7-7/8” bit. Reamed from 5204’ to TD. Core #2, 5252-5305’, Upper Morrow Sand. Recovered 53’. Drilled to 5400’. Reached second coring point. TOH w/bit &amp; TIH w/coring tools. Reamed from 5369’ to TD.</td>
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<tr>
<td>08/27/12</td>
<td>Coring @5450’ (110’). Cored to 5460’. TOH to lay down core #3. Core #3, 5400-5460’, Chester. Recovered 60’. TIH – reamed from 5370’ to TD. Cored 23’. Barrel packed off. TOH w/Core #4.</td>
</tr>
<tr>
<td>08/29/12</td>
<td>TIH, reamed from 5487-5543’. Core to 5603’. TIH w/tools. Core #6, 5543’-5603’, Chester. Recovered 60’. TIH w/coring tools. Reamed from 5593-5603’.</td>
</tr>
</tbody>
</table>
LEASE NAME: Cutter KGS #1 (1343601)  
COUNTY: Stevens  
STATE: KS  
SEC: 1-31S-35W  
API: 15-189-22781  
ELEVATION: 2926' GL, 2939' KB  
RIG: 1 (316-285-2530)  
Toolpusher: Rick Walker (316-285-2526)  
Cc: Brett, Richard, Evan  
Email daily: Dana, Danish, Bill, Randy, G, Pete, Troy  
FINAL: AEB, WF (email Donna H on D&A)  
SPUD DATE: 8/1/12 at 11:30 am  

08/30/12  Cored to 5621’ & jammed. TOH w/tools.  
Core #7, 5603-5621’, Chester. Recovered 18’.  
08/31/12  TIH w/core tools. Cored from 5621 to 5668’ & jammed.  
Core #8, 5621-5668’, Chester. Recovered 47’.  
09/01/12  Drilling @6000’ (332’). Drilled to 3rd coring point @6360’. Survey 3/4’ @6318’.  
09/02/12  TIH w/coring tools. Current depth 6318’ (360’). Cored to 6372’ & barrel jammed. TOH to recover core.  
09/03/12  TIH w/coring tools. Current depth 6372’ (12’).  
Core #9, 6360’-6372’, Osage. Recovered 12’.  
Cored to 6394’ – core barrel jammed. TOH w/core #10:  
Core #10, 6372’-6394’, Osage. Recovered 22’  
09/04/12  Coring @6397’ (25’). Core barrel jammed @6400’  
Core #11, 6394-6400’, Osage. Recovered 6’  
Ran back in with conventional bit.  
09/05/12  Drilled to 6410’ (10’). Lost 20 Bbls of mud. Regained circulation. Drilled to 6440’ w/conventional bit & TIH w/coring tools.  
09/06/12  Cored to 6500’ (90’). TOH w/core tools.  
Core #12 - 6440-6500’ Recovered 60’.  
09/07/12  TIH w/coring tools. Cored 15’ to 6515’ (15’). Core barrel jammed. TOH w/core tools.  
Core #13-6500-6515’. Recovered 15’.  
09/08/12  Cored to 6530’ (15’). Core barrel jammed. TOH w/coring tools.  
Core #14, 6515’-6530’. Recovered 15’. TIH w/conventional bit. Drilled to 6655’.  
09/09/12  TIH w/coring tools. Current depth 6655’ (125’).  
Cored to 6715’.  
09/10/12  TIH w/coring tools. Current depth: 6715’ (60’).  
Core #15, 6655’-6715’. Recovered 60’.  
09/11/12  TOH W/coring tools. Current depth 6769’ (54’). Core #16, 6715’-6769’ Arbuckle. Recovered 54’. Core barrel jammed before any additional footage made.  
09/12/12  TIH w/conventional bit. Current depth 6769’ (0’). Drilled to 6905’ with conventional 7-7/8” bit. Survey 1degree @6862’. TOH w/conventional bit & TIH w/coring tools.  
09/13/12  Coring @6905’ (136’). Cored to 6964’. TOH w/core.  
09/14/12  TIH w/coring tools, current depth – 6964’ (59’). Core #17, 6904’-6964’, Arbuckle. Recovered 60’. Cored to 6990’.  
09/15/12  TIH w/conventional bit. Current depth-6990’ (26’). Core #18, 6964’-6990’, Arbuckle. Recovered 25’. Drilled to 7090’. TOH w/conventional bit.  
09/16/12  TIH w/coring tools. Current depth – 7090’ (100’). Cored to 7150’. TOH w/core:  
Core #19, 7090’-7150’, Arbuckle. Recovered 60’.  
09/17/12  Coring @7155’ (65’). Cored to 7178’- core barrel jammed. TOH w/ Core #20:  
Core #20, 7150’-7178’, Arbuckle. Recovered 28’.  
09/18/12  Coring @7194’ (13’). Lost partial circulation @ 7237’. TOH w/ core.  
09/19/12  Laying down core. Current depth- 7237’ (43’).  
Core #21, 7178’-7237’, Arbuckle. Recovered 59’.  
TIH w/ conventional bit. Drilled to 7257’. TOH w/ conventional bit.
09/20/12 TIH w/ coring tools. Current depth- 7257’ (20’). Cored to 7274’- core barrel jammed. TOH w/ core.
   Core #22, 7257’-7274’, Arbuckle. Recovered 14’- bottom 3’ in pieces.
   TIH w/ conventional bit.
09/21/12 Drilling @ 7324’ (67’). Drilled to 7334’ and TOH w/ conventional bit. TIH w/ coring tools.
09/22/12 Coring @ 7351’ (24’). Cored to 7364’. TOH w/ core #23:
   Core #23, 7334’-7394’, Arbuckle. Recovered 60’.
09/23/12 Coring @ 7394’ (43’). Core barrel jammed @ 7426’. TOH w/ core #24
   Core #24, 7394’-7426’, Arbuckle. Recovered 32’.
   TIH w/ coring tools.
09/24/12 TOH w/ core #25. Core barrel jammed @ 7432’ (38’).
   Core #25, 7426’-7432’, Arbuckle. Recovered 6’.
   TIH w/ conventional bit.
09/25/12 Drilling @ 7510’ (78’). Drilled to 7530’. TOH w/ conventional bit and TIH w/ coring tools.
09/26/12 Coring @ 7538’ (28’). Core barrel jammed @ 7568’. TOH w/ core #26
   Core #26, 7530’-7568’, Arbuckle and Reagan Sand. Recovered 38’.
09/27/12 TIH w/coring tools. Core barrel jammed @ 7589’. TOH w/ core #27:
   Core #27, 7568’-7589’, Reagan Sand. Recovered 21’.
09/28/12 TIH w/conventional 7-7/8” bit. Drilled to TD @7735’.
09/29/12 Started running open hole logs @ 9:00 am.
09/30/12 Running open hole logs.
10/01/12 Finished running open hole logs @4:30 am. TIH w/bit to TD & condition mud for DST. Spotted 70 BBLs of 55 VIS mud w/10# LCM. TOH w/bit.
10/02/12 Running DST #1.

DST #1 7522-7535 Reagan Sand
Times 15/30/15/60
IFP 157-403# FFP 422-511#
ISIP - 2449# FSIP - 2507#
Recovery - 824’ salt water, est CL - 50,000 PPM

Ran DST #2 7426-7457 Arbuckle
Misrun - top prk failed 7 minutes into first opening.

10/3/12 Ran bit to bottom. Washed down last 70’. Circulating on bottom conditioning mud for casing.
LEASE NAME: Cutter KGS #1 (1343601)  
COUNTY: Stevens  
STATE: KS

WELL LOCATION: 2440’ FNL, 1320’ FEL  
SEC: 1-31S-35W

OPERATOR: Berexco LLC  
API: 15-189-22781

CONTRACTOR: Beredco LLC  
ELEVATION: 2926’ GL, 2939’ KB

RIG: 1 (316-285-2530)  
Toolpusher: Rick Walker (316-285-2526)

CC: Brett, Richard, Evan  
Email daily: Dana, Danish, Bill, Randy, G, Pete, Troy  
FINAL: AEB, WF (email Donna H on D&A)

SPUD DATE: 8/1/12 at 11:30 am

10/4/12  Lay down drill pipe. Run 5-1/2”, 17#, new API casing to depth 2’ off bottom. Bottom of casing at 7733’ drillers depth, 7740’ loggers depth. Begin 3 stage cement job at 2:30 am on 10/4/12.

10/5/12  Released rig at 12:00 am on 10/5/12. Rig down. Following is detail of casing and cementing job:

Ran 5-1/2” 17# J-55 new casing. Set bottom of csg 2’ off bottom @7740’ KB.  
Ran 2 jts of csg on bottom for shoe jts. Top of shoe jt @7652’ KB. DV tools @5753’ KB & 3314’ KB. Baskets @7032’, 6106’, 5797’, 5189’, 4636’ & 3358’ KB.  
Ran centralizers from TD – 6500’ every third collar, one above and below DV @5753’, every other collar from 4500’ – 5750’, every other collar from 4000’ – 4300’ and one above & below DV @3314 KB. Cemented casing as follows – First stage 10 bbls stop-loss preflush, 90 sx A-serve light cmt, tail w/120 sx AA-2 cmt, float held. Opened DV tool @5753’ & circulated thru DV for four hrs. Did not see any cement at surface. Cemented second stage thru DV @5753’ with 10 bbls stop-loss preflush, 100 sx A-serv light cmt, tail in w/250 sx AA-2 cmt. Closed DV @5753’ & opened DV @3314’. Circulated 3 hrs thru DV @ 3314’.

Circulated approx 30 bbls cement out from second stage. Cemented third stage w/400 sx A-con cmt, tailed in w/50 sx, Class C cmt. Plug down @1:20 pm 10/4/12. Cement circulated to surface. Had good circulation throughout all stages. Cemented rat & mouse hole w/50 sx class C cmt.

Cement additives –
- A-Serv ¼# defoam, 6% Plexcrete, ¼# flakes, 5# gilsonite per sx.
- AA-2 5% W-60, 10% salt, .6% C-15 fluid loss, ¼# defoam, 10# gilsonite per sx.
- A-Con 2% CC, ¼# flakes

Premium-Plus Class C 2% cc, ¼# flakes
- Yield – 1.34 ft3/sx

Wait on completion.