

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

07/27/12 Begin location dirt work.  
07/30/12 Working on location  
07/31/12 Finishing location & prep to spud by setting conductor pipe.  
08/01/12 Finishing location. Note revised ground elevation is 3' higher than staking plat due to fill at well from location construction. Old ground level was 2923'. Revised ground level is 2926'.  
08/02/12 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" diameter cellar to 6' below ground level. Spudded well with 26" bit and drilled to 103' KB. Set 16", 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.  
08/10/12 Plan to move Beredco Rig 1 to location on Monday.  
08/14/12 Began rigging up Bd Rig #1.  
08/15/12 Finished rigging up. Started drilling 12¼" surface hole @8:30 am, 8/15/12,@50' KB. Survey 1/4° @259', 1° @750'.  
08/16/12 Drilling @1074' (1024').  
08/17/12 Drilled to 1742' Survey 1½° @1742'. Ran 8-5/8", 23# csg (1748') at 1734'. 430 sx A-Co blend cement w/3% CC, ¼# flakes, 0.2# water control & 150 sx Premium Plus w/2% CC & ¼# flakes. 90 sx circ to reserve pit. Float held. Plug down @3:30 am, 8/17/12.  
08/18/12 Drilling @1920' (178')  
08/19/12 Drilling @2700' (780'). Survey 1¾° @2700'.  
08/20/12 Drilled to 3248' (548'). Pipe stuck in hole. Spotted 30 Bbls of oil & worked pipe free. Tripped pipe to replace jt of drill pipe w/hole.  
08/21/12 Drilling @3898' (650'). Displaced hole w/fresh mud.  
08/22/12 Drilled to 4500' (602'). Making bit trip to ensure hole is in gauge for coring operations.  
08/23/12 Drilling @4886' (386').  
08/24/12 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.  
08/25/12 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.  
08/26/12 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 & TIH w/coring tools. Reamed from 5369' to TD.  
08/27/12 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.  
08/28/12 TIH w/coring tools. Current depth - 5483' (33'). Core #4, 5460-5483', Chester. Recovered 23'. TIH & cored from 5483-5543'. TOH. Core #5, 5483-5543', Chester. Recovered 60'.  
08/29/12 TIH, reamed from 5487-5543'. Core to 5603'. TOH w/tools. Core #6, 5543'-5603', Chester. Recovered 60'. TIH w/coring tools. Reamed from 5593-5603'.

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08/30/12 Cored to 5621' & jammed. TOH w/tools.  
Core #7, 5603-5621', Chester. Recovered 18'  
TIH w/core tools. Cored from 5621 to 5668' & jammed.

08/31/12 TOH w/core  
Core #8, 5621-5668', Chester. Recovered 47'.  
TIH w/7-7/8" bit to drill ahead.

09/01/12 Drilling @6000' (332'). Drilled to 3<sup>rd</sup> 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. TOH 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 jamed. 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 ldegree @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.

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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'.  
TIH w/conventional 7-7/8" bit. Drilled to TD @7735'.

09/29/12 Started running open hole logs @ 9:00 am.

09/39/12 Running open hole logs.

10/1/12 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.

10/2/12 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 pkr failed 7 minutes into first opening.

10/3/12 Ran bit to bottom. Washed down last 70'. Circulating on bottom conditioning mud for casing.

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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.  
Yield - 2.08 ft3/sx  
AA-2 5% W-60, 10% salt, .6% C-15 fluid loss, ¼# defoam, 10# gilsonite per sx.  
Yield - 1.51 ft3/sx  
A-Con 2% CC, ¼# flakes  
Yield - 2.95 ft3/sx  
Premium-Plus Class C 2% cc, ¼# flakes  
Yield - 1.34 ft3/sx

Wait on completion.