

RECEIVED

MAY 22 2009

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38962

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-2359

7. Lease Name or Unit Agreement Name

State section 1 LA

8. Well Number 22

9. OGRID Number

258350

10. Pool name or Wildcat

Lovington; Drinkard (40490)

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Vanguard Permian, LLC

3. Address of Operator

1209 South Main Lovington, NM 88260

4. Well Location

Unit Letter G : 2310 feet from the North line and 2310 feet from the East line

Section 1 Township 17S Range 36E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3827' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐DOWNHOLE COMMINGLE ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: Drilling and Completion Reports ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached drilling and completion reports.

Spud Date:

08/28/08

Rig Released Date:

09/23/08

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Vice President DATE 05/19/09Type or print name Britt Pence E-mail address: bpence@vnrllc.com PHONE: 832-327-2252

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 17 2009

Conditions of Approval (if any):

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22														8/29/2008	
Days since spud: 1		Operation: DRILLING AHEAD @ 800' 44 F/H													
Drig Hrs 12		Current Formation SAND				Hole Made 740'									
Current Depth 800'		Daily Cost: \$25,833		Cum. Cost: \$86,287		Mud: \$2,754									
		Last casing :		DEPTH 40'		O.D. 11"		WEIGHT		BURST		THDS			
Mud Properties		Type: FW	Wt. 8.4	Vis: 32	PV: 3	YP: 4	Gels: 2 3	Cake 1/32	WL:	PH: 12.0					
CHL: 900		O/W ES: 99.4		%Oil:		%Sand:		MBT:		%Total Solids:					
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL		Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data				BOTTOM HOLE ASSEMBLIES					
GEL 31		SW GEL		LMST				DESCRIPTION		O.D.	I.D.	LENGTH ft.			
PAPER		MF-55-GAL.		Shale				BIT			1.00	1.00			
LIME		DCS		DOLO				SHOCK SUB		8.25	14.03	14.03			
C-202 GAL.		9390-GAL.		SandSt				1-8" DC		7.50	29.63	29.63			
CLTD,20 GAL.		120-GAL.		BKG				1-12 1/4" IBS		8.00	6.44	6.44			
				Conn				1- 8"DC		8.00	30.47	30.47			
		Total Used		Total Used		Drbk		1-12 1/4" IBS		8.00	7.72	7.72			
Water		780		780		Flare		3- 8" DC		7.75	90.40	90.40			
BHA Hrs 12				Trip				X-O		7.75	1.46	1.46			
Rotating Hrs. 12		Wt. In Mud				Minimum I.D. 2.50 in		27- 6" DC		6.00	853.84	853.84			
Torque None															
								Total				1034.99			
Hydraulics:		#1		#2		Surveys		Magnetic correction: NA							
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth		Angle		Azimuth					
LS x SL x SPM		8" / 6" /113		8" 6"											
Slow rate (spm/psi)															
GPM 316				BHHP											
AVDP				JV											
ECD @ cs				Frac grad @ cs											
Circ. Pressure		728								BOP					
Bit #		1 RR		Depth Out											
Run Number:		1		Depth In		40'				Pressure Csg head					
Size		12 1/4"		Footage		760				Sidetrack		Yes No			
Make		SMITH		Hours Drilling		12.00				KOTMD					
Type		35YC		WOB (min/max)		45,000				KOTVD					
Serial Number		9795		RPM (min/max)		70				PBTMD					
No. & Size Jets		14/14/14		Condition						PBTVD					
IADC Code				FPH		63									
String Weight up		85,000		String weight down		75,000		String Weight Rotating:		80,000					
HOURS		FROM - TO													
7.00		6:00-1:00		RIG REPAIR											
4.00		1:00-5:00		FINISH RIGING UP											
3.00		5:00-8:00		SPUD @ 5:00 PM 8/28/2008 DRILL F/40' TO 314'											
0.50		8:00-8:30		WL SURVEY @ 2701' 1 DEG											
7.50		8:30-4:00		ROTATE DRILL F/ 2701' TO 765'											
0.50		4:00-4:40		WL SURVEY @ 720' 3/4 DEG											
1.50		4:30-6:00		ROTATE DRILL F/ 720' TO 800'											
24.00				DIESEL ON HAND 8348 DIESEL REC LAST 24 HRS 9325 DIESEL USED 977											

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										8/30/2008						
Days since spud:		2		Operation:				DRILLING AHEAD @ 1400																		
Drlg Hrs				12				Current Formation						SAND				Hole Made		600'@26.6F.P.R.						
Current Depth		1400'		Daily Cost:		\$34,118				Cum. Cost:		\$120,951				Mud:		\$650		CUM.		\$2,387.00				
				Last casing :				DEPTH		40'		O.D.		11"		WEIGHT		BURST		THDS						
Mud Properties		Type:	FW	Wt.	8.9		Vis:		32		PV:		YP:		Gels:		Cake		1/32		WL:		PH:		10.0	
CHL:		7,500				O/W		ES:		99.4		%Oil:		%Sand:		TR		MBT:				%Total Solids:		6.7		
%LGS:		%HGS:		#BBL BEN:				#BBL DS:				LCM:		#BBL		Meas. Cake:										
Materials Used Last 24 Hours										Mud Log Data				BOTTOM HOLE ASSEMBLIES												
GEL		25		SW GEL				LMST				DESCRIPTION		O.D.		I.D.		LENGTH ft								
PAPER		24		MF-55-GAL.				Shale				BIT				1.00		1.00								
LIME		10		DCS				DOLO				SHOCK SUB		8.25		14.03		14.03								
C-202 GAL.				9390-GAL.				SandSt				1-8" DC		7.50		29.63		29.63								
CLTD,20 GAL.				120-GAL.				BKG				1-12 1/4" IBS		8.00		6.44		6.44								
								Conn				1- 8"DC		8.00		30.47		30.47								
		Total Used		Total Used				Drbk				1-12 1/4" IBS		8.00		7.72		7.72								
Water		1300		2080				Flare				3- 8" DC		7.75		90.40		90.40								
BHA Hrs		34.5						Trip				X-O		7.75		1.46		1.46								
Rotating Hrs.		34.5		Wt. In Mud				Minimum I.D.				2.50 in		27- 6" DC		6.00		853.84		853.84						
Torque		None																								
										Total								1034.99								
Hydraulics:		#1				#2				Surveys		Magnetic correction: NA														
Pump (Make & Model)		GD PZ8				GD PZ8				Measured Depth		Angle				Azimuth										
LS x SL x SPM		8" / 6" X 85				8" 6"X 85				1,211		3/4*														
Slow rate (spm/psi)																										
GPM		476				BHHP																				
AVDP						JV																				
ECD @ cs						Frac grad @ cs																				
Circ. Pressure										1060				BOP												
Bit #		1 RR				Depth Out		INC																		
Run Number:		1				Depth In		40'				Pressure Csg head														
Size		12 1/4"				Footage		1360'				Sidetrack Yes No														
Make		SMITH				Hours Drilling		35.50				KOTMD														
Type		35YC				WOB (min/max)		45,000				KOTVD														
Serial Number		9795				RPM (min/max)		70				PBTMD														
No. & Size Jets		14/14/14				Condition						PBTVD														
IADC Code						FPH		63																		
String Weight up				85,000				String weight down				75,000				String Weight Rotating:				80,000						
HOURS		FROM - TO																								
3.00		06:00-09:00		Drlg /F 800'-945'-145' (ROP-48.3 Feet Per Hour)																						
1.00		09:00-10:00		Weld Longer Piece on Conductor																						
13.50		10:00-23:30		Drlg /F 945'-1256'-311Ft. (ROP-23.0 Feet Per Hour)																						
0.50		23:30-00:00		W.L. Survey @ 1211'-3/4*																						
6.00		00:00-06:00		Drlg /F 1256'-1400'-144 Ft. (ROP-24.0 Feet Per Hour)																						

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										8/31/2008			
Days since spud: 3				Operation:						DRILLING AHEAD @ 1935'													
Drig Hrs 23 1/2										Current Formation ANHYDRITE						Hole Made 535'							
Current Depth 1935'				Daily Cost:		\$35,133				Cum. Cost: \$157,757				Mud: \$148		CUM. \$2,538.00							
						Last casing :		DEPTH 40'				O.D. 11"		WEIGHT		BURST		THDS					
Mud Properties		Type: FW	Wt.	9.0	Vis: 34		PV: 6	YP: 9	Gels: 5	9	Cake 4/32		WL: 28.8	H: 11.0									
CHL: 1,100				O/W ES: 94.6		%Oil:			%Sand: TR		MBT:		%Total Solids: 5.4										
%LGS:		%HGS:		#/BBL BEN:				#/BBL DS:				LCM:		#/BBL		Meas. Cake:							
Materials Used Last 24 Hours								Mud Log Data				BOTTOM HOLE ASSEMBLIES											
GEL				SW GEL								LMST				DESCRIPTION		O.D.	I.D.	LENGTH ft			
PAPER 8		204		MF-55-GAL.								Shale				BIT			1.00	1.00			
LIME 8		204		DCS								DOLO				SHOCK SUB		8.25	14.03	14.03			
C-202 GAL.		204		9390-GAL.								SandSt				1-8" DC		7.50	29.63	29.63			
CLTD,20 GAL.		204		120-GAL.								BKG				1-12 1/4" IBS		8.00	6.44	6.44			
								Conn						1- 8"DC		8.00	30.47	30.47					
		Total Today		Cummulative								Drbk				1-12 1/4" IBS		8.00	7.72	7.72			
Water		3250BBLS		5330BBLS								Flare				3- 8" DC		7.75	90.40	90.40			
BHA Hrs		23.5		59								Trip				X-O		7.75	1.46	1.46			
Rotating Hrs.		23.5		59								Minimum I.D. 2.50 in				27- 6" DC		6.00	853.84	853.84			
Torque		None																					
														Total						1034.99			
Hydraulics:		#1				#2				Surveys													
Pump (Make & Model)		GD PZ8				GD PZ8				Measured Depth		Angle		Azimuth									
LS x SL x SPM		8" / 6" X 85				8" 6"X 85				1700'		1 1/4*											
Slow rate (spm/psi)		61	450#		61	450#																	
GPM		256				GPM 256																	
AVDP 90						JV																	
ECD @ cs 136'						Frac grad @ cs																	
Circ. Pressure				1080								BOP											
Bit #		1 RR				Depth Out		INC															
Run Number:		1				Depth In		40'				Pressure Csg head											
Size		12 1/4"				Footage		1895'				Sidetrack Yes No											
Make		SMITH				Hours Drilling		59.00				KOTMD											
Type		35YC				WOB (min/max)		55-60K				KOTVD											
Serial Number		9795				RPM (min/max)		70				PBTMD											
No. & Size Jets		14/14/14				Condition						PBTVD											
IADC Code						FPH		63															
String Weight up				115,000				String weight down				105,000				String Weight Rotating: 110,000							
HOURS		FROM - TO																					
15.00		6:00:-21:00		Drig F/ 1400'- 1745'-345' (ROP-23' Feet Per Hour)																			
0.50		21:00-21:30		W.S. Survey @ 1700'-1 1/4*																			
8.50		21:30-06:00		Drig F/ 1745'-1935'-190' (ROP-22.3 Feet Per Hour)																			

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22														9/1/2008	
Days since spud: 4		Operation:				W.O.C.									
Drig Hrs 3 1/2						Current Formation ANHYDRITE				Hole Made 30'					
Current Depth 1965'		Daily Cost:		\$55,134		Cum. Cost: \$215,517		Mud: \$305		CUM. \$2,843.00					
				Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd	
Mud Properties		Type: FW	Wt.	9.1	Vis: 33	PV: 6	YP: 10	Gels: 5	9	Cake 4/32		WL: 29 6	H: 11.0		
CHL: 900				O/W ES:	94.2	%Oil:		%Sand: TR		MBT:		%Total Solids: 5.6			
%LGS:		%HGS:		#BBL BEN:		#BBL DS:		LCM:		#BBL		Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data				BOTTOM HOLE ASSEMBLIES					
GEL				SW GEL				LMST				DESCRIPTION	O.D.	I.D.	LENGTH ft.
PAPER 20				MF-55-GAL.				Shale				BIT		1.00	1.00
LIME 13				DCS				DOLO				SHOCK SUB	8.25	14.03	14.03
C-202 GAL.				9390-GAL.				SandSt				1-8" DC	7.50	29.63	29.63
CLTD,20 GAL.				120-GAL.				BKG				1-12 1/4" IBS	8.00	6.44	6.44
								Conn				1-8"DC	8.00	30.47	30.47
		Total Today		Cummulative				Drbk				1-12 1/4" IBS	8.00	7.72	7.72
Water		3250BBLS		5330BBLS				Flare				3-8" DC	7.75	90.40	90.40
BHA Hrs		3.5		62.5				Trip				X-O	7.75	1.46	1.46
Rotating Hrs.		3.5		62.5				Minimum I.D. 2.50 in				27-6" DC	6.00	853.84	808.84
Torque		None													
												Total			989.99
Hydraulics:		#1		#2		Surveys									
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Angle		Azimuth			
LS x SL x SPM		8" / 6" X 85		8" 6" X 85		1941'				2*					
Slow rate (spm/psi)		61		450#		61		450#							
GPM		256		GPM		256									
AVDP 90				JV											
AVDC 136				Frac grad @ cs											
Circ. Pressure		1080										BOP			
Bit #		1 RR		Depth Out		1965'									
Run Number:		1		Depth In		40'				Pressure Csg head					
Size		12 1/4"		Footage		1925'				Sidetrack		Yes		No	
Make		SMITH		Hours Drilling		62.50				KOTMD					
Type		35YC		WOB (min/max)		55-60K				KOTVD					
Serial Number		9795		RPM (min/max)		70				PBTMD					
No. & Size Jets		14/14/14		Condition		6/8/0				PBTVD					
IADC Code				FPH		30.8									
String Weight up		115,000		String weight down		105,000		String Weight Rotating:		110,000					
HOURS	FROM - TO														
3.50	06:00-09:30		Drill F/ 1935'-2010'-75' (ROP-21.4-Foot Per Hour)												
1.00	09:30-10:30		Cir -Pump Sweep												
5.50	10:30-1600		Drop Survey-P.O.O.H. (Tight)												
2.00	16:00-1800		Saftey Meeting-Rig up/LD Machine-Lay/D 8"DCS&IBS												
3.50	18:00-21:30		Saftey Meeting-Rig up Casing Crew& Run 53 JTS 8 5/8 Casing-Set@1964.60' K.B.												
2.50	21:30-00:00		Wash 80' to Bottom & Cir 8 5/8 Casing												
2.00	00:00-02:00		Saftey Meeting & Rig up Cementers & Cement (Plug Down@01:45)-Cir 47BBLS Cement to Pits												
4.00	02:00-06:00		W.O.C.												
Drillers T.D.2010'-Had Kelly Added in Twice-Correct TD-1965'															
NO ACC.-Held- 30 Min. Saftey /w Each Tour															
24.00	Deisel on Hand-6376. Gal - Used-546. Gal-Total This Well-2449. Gal.														

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22												9/2/2008	
Days since spud: 5		Operation:			Drilling Plug & Float & Cement								
Drig Hrs 0					Current Formation ANHYDRITE						Hole Made 0		
Current Depth 1965'		Daily Cost: \$47,644		Cum. Cost: \$265,430		Mud: \$1,895		CUM.		\$4,738.00			
		Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3 THDS 8rd			
Mud Properties		Type: BRINE	Wt. 9.9	Vis: 29	PV: 1	YP: 1	Gels: 1	Cake		WL: PH: 8.0			
CHL: 900		O/W ES: 99.9		%Oil:		%Sand:		MBT:		%Total Solids: 0.1			
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data			BOTTOM HOLE ASSEMBLIES				
GEL		SW GEL		LMST				DESCRIPTION		O.D.	LENGTH ft.		
PAPER		MF-55-GAL.		Shale				BIT		7.88	0.75		
LIME		DCS		DOLO				1-Bit Sub		6.50	3.03		
C-202 GAL.		9390-GAL.		SandSt				1- DC		6.25	2.25 28.25		
CLTD,20 GAL.		120-GAL.		BKG				1-IBS		6.50	2.75 5.42		
				Conn				1-DC		6.00	30.38		
		Total Today		Cummulative		Drbk		1-IBS		6.50	2.50 5.87		
Water						Flare		25-DCS		6.25	750.43		
BHA Hrs 0.5		63		Trip									
Rotating Hrs. 0.5		63		Minimum I.D. 2.50 in									
Torque None													
								Total			824.13		
Hydraulics:		#1		#2		Surveys							
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth		Angle		Azimuth			
LS x SL x SPM		8" / 6"x105		8" 6"									
Slow rate (spm/psi)													
GPM		305		GPM 256									
AVDP 90		JV											
AVDC 136		Frac grad @ cs											
Circ. Pressure		860#						BOP					
Bit # 2		Depth Out		INC				Tested-09-01-08					
Run Number: 2		Depth In		1965'				Pressure Csg head		9/1/2008			
Size 7 7/8		Footage		0				Sidetrack		Yes No			
Make Reed		Hours Drilling						KOTMD					
Type HP-62P		WOB (min/max)		15K				KOTVD					
Serial Number AL5923		RPM (min/max)		60				PBTMD					
No. & Size Jets 3X14		Condition						PBTVD					
IADC Code 627		FPH											
String Weight up		100,000		String weight down		90,000		String Weight Rotating:		95,000			
HOURS	FROM - TO												
4.50	06:00-10:30	Cut Conductor,Casing,& Weld on Wellhead											
2.00	10:30-12:30	Wait on Welder (Ran Out of Oxy.Had to get more)											
2.00	12:30-14:30	Recut & Lower Well Head											
3.00	14:30-17:30	Nipple up BOP											
7.00	17:30-00:30	Test BOP-Tested Pipe&Blind/T 250 Low 2000 High-Annular 250-1000 All valves to 250Low 2000HIGH											
1.50	00:30-02:00	Pick up Bit&Bit Sub-T.I.H/W DCS											
0.50	02:00-02:30	Repair Rig (Stuck in Reverse)											
3.00	02:30-5:30	T.I.H.											
0.50	05:30-06:00	Drig Plug & Float & Cement											
		Fresh Water-26 Loads-Brine Water-15 Loads-Mud Haul Off-25 Loads											
		NO ACC.-Held- 30 Min. Saftey /w Each Tour											
24.00		Deisel on Hand-6,100. Gal - Used-276. Gal-Total This Well-2725. Gal.											

WELL NAME AND NUMBER:				VANGUARD PERMAIN LLC STATE SECTION 1 LA 22												9/3/2008															
Days since spud: 6				Operation:				Drilling Ahead @ 3023 W/ 5-7K ON BIT																							
Drig Hrs 3023'								Current Formation								YATES				Hole Made 1058'											
Current Depth 1965'				Daily Cost:				\$164,064				Cum. Cost: \$434,183				Mud: \$872				CUM. \$5,610.00											
								Last casing :				DEPTH 1965				O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd									
Mud Properties				Type: BRINE Wt.				9.9		Vis: 29		PV: 1		YP: 1		Gels: 1		Cake		WL: PH: 10.0											
CHL: 189,000								O/W ES: 99.9				%Oil:				%Sand:		MBT:		%Total Solids: 0.1											
%LGS:				%HGS:				#/BBL BEN:				#/BBL DS:				LCM:		#/BBL		Meas. Cake:											
Materials Used Last 24 Hours												Mud Log Data				BOTTOM HOLE ASSEMBLIES															
GEL								SW GEL								LMST								DESCRIPTION		O.D.				LENGTH ft.	
PAPER								MF-55-GAL.								Shale								BIT		7.88				0.75	
LIME								DCS								DOLO								1-Bit Sub		6.50				3.03	
C-202 GAL.								9390-GAL.								SandSt								1- DC		6.25		2.25		28.25	
CLTD,20 GAL.								120-GAL.								BKG								1-IBS		6.50		2.75		5.42	
												Conn								1-DC		6.00				30.38					
				Total Today				Cummulative								Drbk								1-IBS		6.50		2.50		5.87	
Water																Flare								25-DCS		6.25				750.43	
BHA Hrs				21.5				84.5								Trip															
Rotating Hrs.				21.5				84.5								Minimum I.D. 2.50 in															
Torque				None																											
																				Total								824.13			
Hydraulics:				#1				#2				Surveys																			
Pump (Make & Model)				GD PZ8				GD PZ8				Measured Depth				Angle				Azimuth											
LS x SL x SPM				8" / 6"x105				8" 6"				2091'				2.25 *															
Slow rate (spm/psi)				51		213#						2251'				2*															
GPM				305				GPM 256				2441'				2.25*															
AVDP 90								JV				2915'				3 3/4*															
AVDC 136								Frac grad @ cs																							
Circ. Pressure				900#												BOP															
Bit #		2				Depth Out		INC						Tested-09-01-08																	
Run Number:		2				Depth In		1965'						Pressure Csg head 9/1/2008																	
Size		7 7/8				Footage		1058'						Sidetrack Yes No																	
Make		Reed				Hours Drilling		21.50						KOTMD																	
Type		HP-62P				WOB (min/max)		25k-5-6k						KOTVD																	
Serial Number		AL5923				RPM (min/max)		60						PBTMD																	
No. & Size Jets		3X14				Condition								PBTVD																	
IADC Code		627				FPH																									
String Weight up				115,000				String weight down				105,000				String Weight Rotating: 110,000															
HOURS		FROM - TO																													
5.00		06:00-11:00		Drlg /F 1965'-2136'-171' (ROP-34.2 Feet Per Hour)																											
0.50		11:00-11:30		Service Rig																											
0.50		11:30-12:00		W.L. Survey @ 2091'-2.25*																											
2.00		12:00-14:00		Drlg /F 2136'-2294'-158' (ROP-79' Feet Per Hour)																											
0.50		14:00-14:30		W.L. Survey @2135' 2*																											
3.00		14:30-17:30		Drlg /F 2294'-2485'- 191' (ROP-63.6 Feet Per Hour)																											
0.50		17:30-18:00		W.L. Survey @ 2441' 2*																											
7.00		18:00-01:00		Drlg /F 2485'- 2960'-475' (ROP-67.8 Feet Per Hour)																											
0.50		01:00-01:30		W.L. Survey @ 2915' 3 3/4*																											
4.50		01:30-06:00		Drlg /F 2960'-3023'-63' (ROP-14' Feet Per Hour)																											
				Water Hauled on Well-Fresh-31 Loads-Brine-17 Loads-Mud Haul Off -25																											
				NO ACC.-Held- 30 Min. Saftey /w Each Per Tour																											
24.00				Deisel on Hand-5,543. Gal - Used-557. Gal-Total This Well-3282. Gal.																											

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22												9/4/2008	
Days since spud: 7		Operation:				Tripping in Hole/W Dictional Tools							
Drig Hrs 14 1/2						Current Formation YATES				Hole Made 134'			
Current Depth 3157'		Daily Cost: \$56,193		Cum. Cost: \$493,052		Mud: \$150		CUM. \$5,760.00					
Last casing :				DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3 THDS 8rd			
Mud Properties		Type: BRINE	Wt. 9.8	Vis: 29	PV: 1	YP: 1	Gels: 1	Cake		WL: 10.0	PH: 10.0		
CHL: 147,000		O/W ES: 98.3		%Oil:		%Sand:		MBT:		%Total Solids: 1.7			
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data			BOTTOM HOLE ASSEMBLIES				
GEL		SW GEL		LMST		DESCRIPTION		O.D.		LENGTH ft.			
PAPER 3		MF-55- 1		Shale		BIT				0.75			
LIME 4		DCS		DOLO		1-Motor				30.37			
C-202 GAL.		9390-GAL.		SandSt		1-Float Sub				2.50			
CLTD,20 GAL.		120-GAL.		BKG		1-UBHO				2.64			
				Conn		1-Monel				30.32			
Total Today		Cummulative		Drbk		1- Monel				29.47			
Water				Flare		27-DCS				808.84			
BHA Hrs 14.5		99		Trip									
Rotating Hrs. 14.5		99		Minimum I.D. 2.50 in									
Torque None													
						Total				931.21			
Hydraulics:		#1		#2		Surveys							
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Azimuth			
LS x SL x SPM		8" / 6"x105		8" 6"		2980'		3.5*					
Slow rate (spm/psi)		51 218#				3044'		3.5*					
GPM		305		GPM		3,150		2.75*					
AVDP 90		JV											
AVDC 136		Frac grad @ cs											
Circ. Pressure 900#										BOP			
Bit # 2 3		Depth Out 3157'		INC		Tested-09-01-08							
Run Number: 2 3		Depth In 1965'		3,157		Pressure Csg head 9/1/2008							
Size 7 7/8 7.875		Footage 1192'				Sidetrack Yes No							
Make Reed Reed		Hours Drilling 36.00				KOTMD							
Type HP-62P M45082P		WOB (min/max) 25k-5-6k				KOTVD							
Serial Number AL5923 K42477		RPM (min/max) 60-70				PBTMD							
No. & Size Jets 3X14 3X14		Condition 2/2/I				PBTVD							
IADC Code 627 547		FPH											
String Weight up 115,000		String weight down 105,000		String Weight Rotating: 110,000									
HOURS		FROM - TO											
0.50		06:00-06:30		W.L. Survey @ 2980'-3.5*									
5.00		06:30-11:30		Drig F/ 3023'-3087'-64' (ROP-12.8 Feet Per Hour)									
0.50		11:30-12:00		W.L. Survey @3023'-3.5*									
9.50		12:00- 21:30		Drig F/ 3087'- 3157'-70' (ROP-7.3 Feet Per Hour)									
2.50		21:30-00:00		Drop Totco & P.O.O.H.									
2.00		00:00-02:00		Pick up Directional Tools									
2.00		02:00-04:00		T.I.H. &Change out Upper Kelly Cock									
0.50		04:00-04:30		Test M.W.D. Tool									
1.50		04:30-06:00		T..I.H.									
				Water Hauled on Well-Fresh-31 Loads-Brine-19 Loads-Mud Haul Off -27									
				NO ACC.-Held- 30 Min. Saftey /w Each Per Tour									
24.00				Deisel on Hand-4985. Gal - Used-558. Gal-Total This Well-3840. Gal.									

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22												9/5/2008	
Days since spud: 8		Operation:			Drilling Ahead @ 3500'								
Drlg Hrs 15					Current Formation YATES				Hole Made 332'				
Current Depth 3500'		Daily Cost: \$24,005		Cum. Cost: \$516,594		Mud: \$0		CUM. \$5,760.00					
Last casing :				DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3 THDS 8rd			
Mud Properties		Type: BRINE	Wt. 9.8	Vis: 29	PV: 1	YP: 1	Gels: 1	Cake		WL: PH: 10.0			
CHL: 147,000		O/W	ES: 98.3	%Oil:		%Sand:		MBT:		%Total Solids: 1.7			
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data			BOTTOM HOLE ASSEMBLIES				
GEL		SW GEL		LMST		DESCRIPTION		O.D.	LENGTH ft.				
PAPER		MF-55-		Shale		BIT		7.88	0.75				
LIME		DCS		DOLO		Bit Sub		6"	3.03				
C-202 GAL.		9390-GAL.		SandSt		1-DC		6"	28.25				
CLTD,20 GAL.		120-GAL.		BKG		1-IBS		6"	7.88	5.42			
				Conn		1-DC		6"	30.38				
Total Today		Cummulative		Drbk		1-IBS		6"	7.88	5.87			
Water				Flare		25-DCS		6"	750.21				
BHA Hrs 15		114		Trip									
Rotating Hrs. 15		114		Minimum I.D. 2.50 in									
Torque None													
						Total			824.16				
Hydraulics:		#1		#2		Surveys							
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Azimuth			
LS x SL x SPM		8" / 6"x105		8" 6"		3146'		2.70*		50.1			
Slow rate (spm/psi)		51 218#				3337'		.70*		328			
GPM		305		GPM		3368'		0.8*		313.2			
AVDP 90		JV				3400'		1.0*		309.5			
AVDC 136		Frac grad @ cs				3485'		0.9*		321.4			
Circ. Pressure		1150#						BOP					
Bit # 3		Depth Out		INC				Tested-09-01-08					
Run Number: 3		Depth In		3157'				Pressure Csg head 9/1/2008					
Size 7.875		Footage		332'				Sidetrack Yes No					
Make Reed		Hours Drilling		15.00				KOTMD					
Type M4502P		WOB (min/max)		35-38K				KOTVD					
Serial Number K42477		RPM (min/max)		65-70				PBTMD					
No. & Size Jets 3X13		Condition						PBTVD					
IADC Code 547		FPH											
String Weight up 125,000		String weight down 115,000		String Weight Rotating: 120,000									
HOURS	FROM - TO												
1.50	06:00-07:30	TIH W/ Dir. Tools											
12.00	07:30-19:30	Drlg /F 3168'- 3485' -317' (26.42 Feet Per Hour)											
2.00	19:30-21:30	P.O.O.H. W/ Dir. Tools											
2.00	21:30-23:30	Lay Down Directional Tools											
3.00	23:30-02:30	Pick up B.H.A. & T.I.H.											
0.50	02:30-03:00	Pick up Kelly & Wash to Bottom											
3.00	03:00-6:00	Drlg /F 3485'-3500' 15'-(ROP 5. Feet Per Hour)											
		NO ACC.-Held- 30 Min. Saftey /w Each Per Tour											
		Water Hauled on Well-Fresh-32 Loads-Brine-21-Loads-Loads Mud Hauled Off-31											
24.00		Deisel on Hand-4428. Gal - Used-557. Gal-Total This Well-4397. Gal.											

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/6/2008						
Days since spud: 9			Operation:					Drilling @ 4000'																		
Drlg Hrs 22 1/2								Current Formation					YATES					Hole Made		500'						
Current Depth 4000'			Daily Cost:		\$21,457			Cum. Cost:			\$539,073			Mud:			\$270			CUM.		\$6,030.00				
			Last casing :			DEPTH			1965		O.D.		8 5/8		WEIGHT		32#		BURST		39.3		THDS 8rd			
Mud Properties		Type: BRINE Wt.			10.1		Vis: 29		PV: 1		YP: 1		Gels: 1			Cake		WL:		PH:		8.0				
CHL: 180,000						O/W ES: 98.6		%Oil:			%Sand:			MBT:			%Total Solids: 1.4									
%LGS:			%HGS:			#/BBL BEN:			#/BBL DS:			LCM:			#/BBL			Meas. Cake:								
Materials Used Last 24 Hours										Mud Log Data					BOTTOM HOLE ASSEMBLIES											
SALT GEL 7			SW GEL						LMST						DESCRIPTION		O.D.				LENGTH		ft.			
PAPER			MF-55- 1						Shale						BIT						0.75					
LIME 5			DCS						DOLO						Bit Sub		6"				3.03					
C-202 GAL.			9390-GAL.						SandSt						1-DC		6"				28.25					
CLTD,20 GAL.			120-GAL.						BKG						1-IBS		6"		7.88		5.42					
									Conn						1-DC		6"				30.38					
			Total Today		Cummulative						Drbk						1-IBS		6"		7.88		5.87			
Water									Flare						25-DCS		6"				750.21					
BHA Hrs			22.5			136.5						Trip														
Rotating Hrs.			22.5			136.5						Minimum I.D.			2.50 in											
Torque			None																							
														Total						824.16						
Hydraulics:			#1			#2			Surveys																	
Pump (Make & Model)			GD PZ8			GD PZ8			Measured Depth							Azimuth										
LS x SL x SPM			8" / 6"x105			8" 6"			3531'							1*										
Slow rate (spm/psi)			51		235					3721'							1*									
GPM			290			GPM																				
AVDP 165						JV																				
AVDC 257						Frac grad @ cs																				
Circ. Pressure			1200#													BOP										
Bit #		3				Depth Out		INC				Tested-09-01-08														
Run Number:		3				Depth In		3157'				Pressure Csg head					9/1/2008									
Size		7.875				Footage		843'				Sidetrack					Yes No									
Make		Reed				Hours Drilling		37.50				KOTMD														
Type		M4502P				WOB (min/max)		35-38K				KOTVD														
Serial Number		K42477				RPM (min/max)		65-70				PBTMD														
No. & Size Jets		3X13				Condition						PBTVD														
IADC Code		547				FPH																				
String Weight up				137,000			String weight down				127,000			String Weight Rotating:				132,000								
HOURS		FROM - TO																								
1.50		06:00-07:30		Drlg F/ 3500'-3531'-31' (ROP- 20.6 Feet Per Hour)																						
0.50		07:30-08:00		W.L. Survey @ 3531' 1*																						
1.50		08:00-09:30		Drlg /F 3531'-3562'-31' (ROP-20.67 Feet Per Hour)																						
0.50		09:30-10:00		Service Rig- Install Rotating Head																						
6.50		10:00-16:30		Drlg F/ 3562'-3721'-159' (ROP-24.4 Feet Per Hour)																						
0.50		16:30-17:00		W.L. Survey @ 3721 1*																						
13.00		17:00-06:00		Drlg F/ 3721'-4000'- 279' (ROP-21.4 Feet Per Hour)																						

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/7/2008			
Days since spud: 10				Operation:						Drilling @ 4300'													
Drig Hrs 16 1/2										Current Formation Queen				Hole Made 300'									
Current Depth 4300'		Daily Cost:		\$43,717		Cum. Cost: \$584,871		Mud: \$212		CUM.		\$6,242.00											
				Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd									
Mud Properties		Type: BRINE Wt.		10.+		Vis: 29		PV: 1		YP: 1		Gels: 1		Cake		WL: PH: 9.0							
CHL: 185,000				O/W ES: 99.02		%Oil:		%Sand:		MBT:		%Total Solids: 0.1											
%LGS:		%HGS:		#BBL BEN:		#BBL DS:		LCM:		#BBL		Meas. Cake:											
Materials Used Last 24 Hours						Mud Log Data				BOTTOM HOLE ASSEMBLIES													
SALT GEL				SW GEL				LMST				DESCRIPTION		O.D.		LENGTH ft.							
PAPER 2				MF-55- 1				Shale				BIT				0.75							
LIME 6				DCS				DOLO				Bit Sub		6"		3.03							
C-202 GAL.				9390-GAL.				SandSt				1-DC		6"		28.25							
CLTD,20 GAL.				120-GAL.				BKG				1-IBS		6"		7.88 5.42							
								Conn				1-DC		6"		30.38							
		Total Today		Cummulative				Drbk				1-IBS		6"		7.88 5.87							
Water								Flare				25-DCS		6"		750.21							
BHA Hrs		16.5		153				Trip															
Rotating Hrs.		16.5		153				Minimum I.D. 2.50 in															
Torque		None																					
												Total				824.16							
Hydraulics:		#1		#2		Surveys																	
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth						Azimuth											
LS x SL x SPM		8" / 6"x		8" 6"x105		4038'		1*															
Slow rate (spm/psi)				55/250#@ 4290'																			
GPM				GPM 309																			
AVDP 134				JV																			
AVDC 188				Frac grad @ cs																			
Circ. Pressure 1170#				BOP																			
Bit #		3		Depth Out		INC		Tested-09-01-08															
Run Number:		3		Depth In		3157'		Pressure Csg head 9/1/2008															
Size		7.875		Footage		1143'		Sidetrack Yes No															
Make		Reed		Hours Drilling		54.00		KOTMD															
Type		M4502P		WOB (min/max)		35-38K		KOTVD															
Serial Number		K42477		RPM (min/max)		65-70		PBTMD															
No. & Size Jets		3X13		Condition				PBTVD															
IADC Code		547		FPH																			
String Weight up				String weight down				String Weight Rotating:															
HOURS		FROM - TO																					
1.00		06:00-07:00		Drlg F/ 4000'-4038'-38' (ROP-38 Feet Per Hour)																			
0.50		07:00-07:30		W.L. Survey @ 4038' 1*																			
5.50		07:30-13:00		Drlg F/ 4038'-4133'-95' (ROP-17.2 Feet Per Hour)																			
0.50		13:00-13:30		Lost 65# Pump Presure-Pump Soft Line-Hit 5 Min.																			
2.50		13:30-16:00		P.O.O.H. For Hole in Drill Pipe																			
3.50		16:00-19:30		Trip in Hole																			
0.50		19:30-20:00		Wash 60' to Bottom-No Fill																			
10.00		20:00-06:00		Drlg F/ 4133'-4300'- 167' (ROP-16.7 Feet Per Hour)																			
				</																			

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION I LA 22										9/8/2008							
Days since spud: 11			Operation:					Drilling @ 4735'																			
Drig Hrs 21 1/2								Current Formation					San Andres					Hole Made		435'							
Current Depth 4735'			Daily Cost:		\$21,982			Cum. Cost: \$607,845			Mud: \$424			CUM.			\$6,666.00										
					Last casing :			DEPTH 1965			O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd										
Mud Properties		Type: BRINE Wt.			10.1		Vis: 29		PV: 1		YP: 1		Gels: 1		Cake		WL: PH: 9.0										
CHL: 198,000						O/W ES: 99		%Oil:			%Sand:		MBT:		%Total Solids: 1.0												
%LGS:			%HGS:			#/BBL BEN:			#/BBL DS:			LCM:		#/BBL		Meas. Cake:											
Materials Used Last 24 Hours								Mud Log Data				BOTTOM HOLE ASSEMBLIES															
SALT GEL						SW GEL						LMST						DESCRIPTION		O.D.				LENGTH f			
PAPER 9						MF-55- I						Shale						BIT						0.75			
LIME 12						DCS						DOLO						Bit Sub		6"				3.03			
C-202 GAL.						9390-GAL.						SandSt						1-DC		6"				28.25			
CLTD,20 GAL.						120-GAL.						BKG						1-IBS		6"		7.88		5.42			
												Conn						1-DC		6"				30.38			
			Total Today			Cummulative						Drbk						1-IBS		6"		7.88		5.87			
Water												Flare						25-DCS		6"				750.21			
BHA Hrs			21.5			174.5						Trip															
Rotating Hrs.			21.5			174.5						Minimum I.D. 2.50 in															
Torque			None																								
																				Total						824.16	
Hydraulics:			#1			#2			Surveys																		
Pump (Make & Model)			GD PZ8			GD PZ8			Measured Depth							Azimuth											
LS x SL x SPM			8" / 6"x103			8" 6"			4353'		1*																
Slow rate (spm/psi)			55		265#		4290'		4672'		1 1/4*																
GPM			288			GPM 309																					
AVDP 129						JV																					
AVDC 181						Frac grad @ cs																					
Circ. Pressure 1230#										BOP																	
Bit #		3				Depth Out		INC							Tested-09-01-08												
Run Number:		3				Depth In		3157'							Pressure Csg head 9/1/2008												
Size		7.875				Footage		1578'							Sidetrack Yes No												
Make		Reed				Hours Drilling		75.50							KOTMD												
Type		M4502P				WOB (min/max)		45-48K							KOTVD												
Serial Number		K42477				RPM (min/max)		65-70							PBTMD												
No. & Size Jets		3X13				Condition									PBTVD												
IADC Code		547				FPH																					
String Weight up 150,000				String weight down 140,000				String Weight Rotating: 145,000																			
HOURS		FROM - TO																									
1.50		06:00-07:30		Drlg F/ 4300'-4353'-53' (ROP-35.3 Feet Per Hour)																							
0.50		07:30-08:00		Service Rig																							
0.50		08:00-08:30		W.L. Survey @ 4353'-1*																							
16.50		08:30-01:00		Drlg F/ 4353'-4672'-319' (ROP-19.3 Feet Per Hour)																							
0.50		01:00-01:30		W.L. Survey @ 4672'-Miss Run																							
1.50		01:30-03:00		Drlg F/ 4672'-4703'-31' (ROP-20.6 Feet Per Hour)																							
1.00		03:00-04:00		W.L. Survey @ 4672 1 1/4*																							
2.00		04:00-06:00		Drlg F/ 4703'- 4735'-32' (ROP-16.0 Feet Per Hour)																							

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/9/2008			
Days since spud: 12			Operation:					Drilling @ 5230'															
Drlg Hrs 22 3/4								Current Formation					San Andres					Hole Made		495'			
Current Depth 5230'			Daily Cost:		\$26,089			Cum. Cost: \$635,177			Mud: \$695			CUM.		\$7,361.00							
					Last casing :			DEPTH 1965			O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd						
Mud Properties		Type: BRINE Wt.			10.1	Vis: 29		PV: 1		YP: 1	Gels: 1		Cake		WL:		PH: 9.0						
CHL: 182,000					O/W ES: 98.1		%Oil:			%Sand:		MBT:		%Total Solids: 1.9									
%LGS:			%HGS:		#/BBL BEN:			#/BBL DS:			LCM:		#/BBL		Meas. Cake:								
Materials Used Last 24 Hours										Mud Log Data				BOTTOM HOLE ASSEMBLIES									
SALT GEL		4l			SW GEL					LMST				DESCRIPTION		O.D.			LENGTH ft				
PAPER		1			MF-55-			1			Shale				BIT				0.75				
LIME						DCS					DOLO				Bit Sub		6"	3.03					
C-202 GAL.						9390-GAL.					SandSt				1-DC		6"	28.25					
CLTD,20 GAL.						120-GAL.					BKG				1-IBS		6"	7.88	5.42				
										Conn				1-DC		6"			30.38				
			Total Today		Cummulative					Drbk				1-IBS		6"	7.88	5.87					
Water									Flare				25-DCS		6"			750.21					
BHA Hrs			22 3/4		197.25					Trip													
Rotating Hrs.			22 3/4		197.25					Minimum I.D. 2.50		in											
Torque			None																				
														Total				824.16					
Hydraulics:			#1			#2			Surveys														
Pump (Make & Model)			GD PZ8			GD PZ8			Measured Depth						Azimuth								
LS x SL x SPM			8" / 6"x103			8" 6"			5158'		1*												
Slow rate (spm/psi)			51	320#																			
GPM			288			GPM																	
AVDP 129						JV																	
AVDC 181						Frac grad @ cs																	
Circ. Pressure			1230#								BOP												
Bit #		3			Depth Out		INC					Tested-09-01-08											
Run Number:		3			Depth In		3157'					Pressure Csg head 9/1/2008											
Size		7.875			Footage		2,073					Sidetrack Yes No											
Make		Reed			Hours Drilling		98.25					KOTMD											
Type		M4502P			WOB (min/max)		45-48K					KOTVD											
Serial Number		K42477			RPM (min/max)		65-70					PBTMD											
No. & Size Jets		3X13			Condition							PBTVD											
IADC Code		547			FPH																		
String Weight up			150,000			String weight down			140,000			String Weight Rotating:			145,000								
HOURS	FROM - TO																						
12.50	6:00-18:30		Drlg F/ 4735'-4989'-254' (ROP- 20.3 Feet Per Hour)																				
0.50	18:30-19:00		Jet Pit																				
9.00	19:00-04:00		Drlg F/ 4989'-5210'-221' (ROP-24.5 Feet Per Hour)																				
0.75	04:00-04:75		W.L. Survey @ 5158' 1*																				
1.25	04:75-06:00		Drlg F/ 5210'-5230'-20' (ROP-13.3 Feet Per Hour)																				

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22												9/10/2008	
Days since spud: 13		Operation:			Drilling @ 5616'								
Drig Hrs 12					Current Formation San Andres					Hole Made 386'			
Current Depth 5616'		Daily Cost: \$24,135		Cum. Cost: \$660,461		Mud: \$109		CUM.		\$7,470.00			
		Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3 THDS 8rd			
Mud Properties		Type: BRINE	Wt. 10.2	Vis: 29	PV: 1	YP: 1	Gels: 1	Cake		WL:	PH: 10.0		
CHL: 188,000		O/W	ES: 98.2	%Oil:		%Sand:		MBT:		%Total Solids: 1.8			
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL Meas. Cake:			
Materials Used Last 24 Hours						Mud Log Data			BOTTOM HOLE ASSEMBLIES				
SALT GEL		SW GEL		LMST		DESCRIPTION		O.D.	LENGTH		ft.		
PAPER 1		MF-55-		Shale		BIT		0.88			0.75		
LIME 6		DCS		DOLO		1-Junk Basket		6"			2.45		
Caustic 1		9390-GAL.		SandSt		1-Bit Sub		6"			3.03		
CLTD,20 GAL.		120-GAL.		BKG		1-DC		6"			28.25		
				Conn		1-IBS		0.88			5.42		
		Total Today	Cummulative	Drbk		1-DC		6"			30.38		
Water				Flare		1-IBS		0.88			5.87		
BHA Hrs 12		209.25		Trip		25-DCS		6"			750.21		
Rotating Hrs. 12		209.25		Minimum I.D. 2.50 in									
Torque None													
						Total				826.36			
Hydraulics:		#1		#2		Surveys							
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Azimuth			
LS x SL x SPM		8" / 6"x103		8" 6"		5158'		1*					
Slow rate (spm/psi)													
GPM		288		GPM									
AVDP 170		JV											
AVDC 273		Frac grad @ cs											
Circ. Pressure		1230#						BOP					
Bit # 3		RR#4		Depth Out 5275'		INC		Tested-09-01-08					
Run Number: 3		4		Depth In 3157'		5275'		Pressure Csg head		9/1/2008			
Size 7.875		7.875		Footage 2,118		341		Sidetrack		Yes No			
Make Reed		Reed		Hours Drilling 99.75		10.50		KOTMD					
Type M4502P		HP-62P		WOB (min/max) 45-48K		48K		KOTVD					
Serial Number K42477		AL-5923		RPM (min/max) 65-70		70		PBTMD					
No. & Size Jets 3X13		3X14		Condition 6-4-1				PBTVD					
IADC Code 547		627		FPH 31.65		32.5							
String Weight up 160,000		String weight down 150,000		String Weight Rotating: 155,000									
HOURS	FROM - TO												
1.50	06:00-07:30	Drig F/ 5230'-5275'-45' (ROP-30.0 Feet Per Hour)											
0.50	07:30-08:00	Jet Shale Pit											
4.50	08:00-12:30	P.O.O.H.											
1.00	12:30-13:30	Pick up Junk Basket & Change out Bits											
5.50	13:30-19:00	Trip in Hole											
0.50	19:00-19:30	Work Junk Basket											
10.50	19:30-06:00	Drig F/ 5275'- 5616'-341' (ROP-32.48 Feet Per Hour)											
		NO ACC.-Held- 30 Min. Saftey /w Each Per Tour											
		Water Hauled on Well-Fresh-34 Loads-Brine-35-Loads- Mud Loads Hauled Off-41											
24.00		Deisel on Hand-6922. Gal - Used-534. Gal-Total This Well-7903. Gal.											

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WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/12/2008			
Days since spud: 15			Operation:				Drilling @ 6424'																
Drig Hrs 16								Current Formation				Paddock				Hole Made 358'							
Current Depth 6424'			Daily Cost:		\$33,769			Cum. Cost: \$720,688			Mud: \$391			CUM. \$8,865.00									
					Last casing :			DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd							
Mud Properties		Type: BRINE Wt.			10.0		Vis: 29		PV: 1		YP: 1		Gels: 1		Cake		WL: PH: 10.0						
CHL: 183,000		Calcium 1960		O/W ES: 98.7		%Oil:			%Sand:			MBT:		%Total Solids: 1.3									
%LGS:		%HGS:		#/BBL BEN:			#/BBL DS:			LCM:		#/BBL		Meas. Cake:									
Materials Used Last 24 Hours								Mud Log Data				BOTTOM HOLE ASSEMBLIES											
SALT GEL				SW GEL				LMST				DESCRIPTION		O.D.		LENGTH ft							
PAPER 5				MF-55-				Shale				BIT		0.88		0.75							
LIME 8				DCS				DOLO															
Caustic				9390-GAL.				SandSt				1-Bit Sub		6"		3.03							
CLTD,20 GAL.				120-GAL.				BKG				1-DC		6"		28.25							
								Conn				1-IBS		0.88		5.42							
		Total Today		Cummulative				Drbk				1-DC		6"		30.38							
Water								Flare				1-IBS		0.88		5.87							
BHA Hrs		16		264.25				Trip				25-DCS		6"		750.21							
Rotating Hrs.		16		264.25				Minimum I.D. 2.50 in															
Torque		None																					
												Total				823.91							
Hydraulics:		#1		#2				Surveys															
Pump (Make & Model)		GD PZ8		GD PZ8				Measured Depth						Azimuth									
LS x SL x SPM		8" / 6"x		8" 6"x 115				6066'		1*													
Slow rate (spm/psi)				6400'		61 355#																	
GPM				GPM		345																	
AVDP 169				JV																			
AVDC 271				Frac grad @ cs																			
Circ. Pressure										1235#				BOP									
Bit #		RR#4		5		Depth Out		6066'		INC		Tested-09-01-08											
Run Number:		4		5		Depth In		5275'		6066'		Pressure Csg head 9/1/2008											
Size		7.875		7.875		Footage		791'-Total-1983'		358'		Sidetrack Yes No											
Make		Reed		HTC		Hours Drilling		33.5-Total-69'5		16.00		KOTMD											
Type		HP-62P		GX-45C		WOB (min/max)		48K		45-48K		KOTVD											
Serial Number		AL-5923		5153148		RPM (min/max)		70		65		PBTMD											
No. & Size Jets		3X14		3X14		Condition		6-4-I				PBTVD											
IADC Code		627		627		FPH		23.6'- 28.5'															
String Weight up				180,000		String weight down				170,000		String Weight Rotating: 175,000											
HOURS		FROM - TO																					
4.00		06:00-10:00		Drop Totoc and Trip out of Hole																			
0.50		10:00-10:30		Change out Bits																			
3.50		10:30-14:00		Trip in Hole-Wash 90' to Bottom																			
16.00		14:00-06:00		Drig F/ 6066'- 6424'-358' (ROP- 22.3 Feet Per Hour)																			

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WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/15/2008			
Days since spud: 18			Operation:				Tripping in Hole w/ Bit #6																
Drlg Hrs 0								Current Formation						BLINEBRY				Hole Made					
Current Depth 7272'			Daily Cost:		\$21,548			Cum. Cost: \$792,023			Mud: \$1,127			CUM. \$10,879.00									
					Last casing :			DEPTH 1965			O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd						
Mud Properties		Type: BRINE		Wt. 10.1		Vis: 29		PV: 1		YP: 1		Gels: 1		Cake		WL: PH: 9.0							
CHL: 188,000		Calcium 2240		O/W ES: 98.9		%Oil:			%Sand:			MBT:		%Total Solids: 1.1									
%LGS:		%HGS:		#/BBL BEN:				#/BBL DS:				LCM:		#/BBL		Meas. Cake:							
Materials Used Last 24 Hours								Mud Log Data				BOTTOM HOLE ASSEMBLIES											
SALT GEL 75				SW GEL				LMST				DESCRIPTION		O.D.				LENGTH ft.					
PAPER				MF-55-				Shale				1-Bit						0.75					
LIME				DCS				DOLO				1-BIT SUB		6"				3.03					
Caustic 3				9390-GAL.				SandSt				1-DC		6"				28.25					
CLTD,20 GAL.				120-GAL.				BKG				1-IBS				7.88		5.42					
								Conn															
			Total Today		Cummulative					Drbk				1-DC		6"		30.38					
Water										Flare				1-IBS				0.88 5.87					
BHA Hrs			0		310					Trip				25-DCS		6"		750.21					
Rotating Hrs.			0		310					Minimum I.D. 2.50 in													
Torque			None																				
												Total						823.91					
Hydraulics:		#1			#2			Surveys															
Pump (Make & Model)		GD PZ8			GD PZ8			Measured Depth						Azimuth									
LS x SL x SPM		8" / 6"x			8" 6"x 115																		
Slow rate (spm/psi)					7200'		61 351#																
GPM					GPM																		
AVDP					JV																		
AVDC					Frac grad @ cs																		
Circ. Pressure												BOP											
Bit #		5		6		Depth Out		7272'		INC		Tested-09-01-08											
Run Number:		5		6		Depth In		6066'		7,072		Pressure Csg head 9/1/2008											
Size		7 7/8		7.875		Footage		1,206				Sidetrack Yes Nc X											
Make		HTC		JZ		Hours Drilling		62.00				KOTMD											
Type		GX-45C		HA63L		WOB (min/max)		48K				KOTVD											
Serial Number		5153148		C20276		RPM (min/max)		65				PBTMD											
No. & Size Jets		3X14		3X14		Condition		8-6-O				PBTVD											
IADC Code		627		647-Y		FPH		19.4															
String Weight up				197,000		String weight down				179,000				String Weight Rotating:				185,000					
HOURS		FROM - TO																					
1.00		06:00-07:00		Cir																			
4.00		07:00-11:00		Trip out of Hole---All 3 Nose Cones Gone on Bit																			
5.00		11:00-16:00		Wait on Magent - (Cut 130' Drlg Line)																			
5.00		16:00- 21:00		Trip in Hole With 7" Magent																			
0.50		21:00-21:30		Wash To Bottom & Work Magent																			
5.50		21:30-03:00		Trip out of Hole W/ Magnet-Metal Shavings and Small Pieces of Metal																			
3.00		03:00-06:00		Trip in Hole wWith Bit # 6																			

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/16/2008				
Days since spud: 19			Operation:					DRILLING@ 7544'																
Drlg Hrs 17										Current Formation					TUBB					Hole Made 272'				
Current Depth 7544'			Daily Cost:		\$32,756			Cum. Cost: \$826,339			Mud: \$159			CUM. \$11,038.00										
					Last casing :			DEPTH 1965			O.D. 8 5/8		WEIGHT 32#			BURST 39.3		THDS 8rd						
Mud Properties			Type: BRINE Wt.			10.1		Vis: 29		PV: 1		YP: 1		Gels: 1			Cake		WL: PH: 10.0					
CHL: 189,000			Calcium 2240		O/W ES: 98.7			%Oil:			%Sand:			MBT:			%Total Solids: 1.3							
%LGS:			%HGS:			#/BBL BEN:			#/BBL DS:			LCM:			#/BBL			Meas. Cake:						
Materials Used Last 24 Hours										Mud Log Data					BOTTOM HOLE ASSEMBLIES									
GEL					SW GEL					LMST					DESCRIPTION		O.D.		LENGTH ft					
PAPER					MF-55-					Shale					1-Bit		7.88		0.75					
LIME 3					DCS					DOLO					1-BIT SUB		6"		3.03					
Caustic 3					9390-GAL.					SandSt					1-DC		6"		28.25					
CLTD,20 GAL.					120-GAL.					BKG					1-IBS		7.88		5.42					
										Conn					1-DC		6"		30.38					
			Total Today		Cummulative					Drbk					1-IBS				5.87					
Water										Flare					25-DCS		6"		750.21					
BHA Hrs			17		327					Trip														
Rotating Hrs.			17		327					Minimum I.D. 2.50 in														
Torque			None																					
															Total							823.91		
Hydraulics:			#1			#2			Surveys															
Pump (Make & Model)			GD PZ8			GD PZ8			Measured Depth							Azimuth								
LS x SL x SPM			8" / 6"x 103			8" 6"x 115			7385'		3/4*													
Slow rate (spm/psi)			7525		51-296#		6l 351#																	
GPM 288						GPM																		
AVDP 169						JV																		
AVDC 271						Frac grad @ cs																		
Circ. Pressure 1155#										BOP														
Bit #		6				Depth Out		INC				Tested-09-01-08												
Run Number:		6				Depth In		7272'				Pressure Csg head 9/1/2008												
Size		7 7/8				Footage		272'				Sidetrack Yes Nc x												
Make		JZ				Hours Drilling		17.00				KOTMD												
Type		HA63L				WOB (min/max)		48K				KOTVD												
Serial Number		C2O276				RPM (min/max)		65				PBTMD												
No. & Size Jets		3X14				Condition						PBTVD												
IADC Code		647-Y				FPH		16																
String Weight up 210,000				String weight down 190,000				String Weight Rotating: 200,000																
HOURS		FROM - TO																						
3.50		06:00-09:30		Trip in Hole w/ Bit# 6																				
2.50		09:30-12:00		Wash-70'&Ream-20' TO Bottom																				
9.00		12:00-21:00		Drlg F/ 7272'-7430'-158' (ROP- 17.5 Feet Per Hour)																				
1.00		21:00-22:00		W.L. Survey @ 7385' 3/4 *																				
8.00		22:00-06:00		Drlg F/ 7430'-7544'-114' (ROP-14.2 Feet Per Hour)																				

WELL NAME AND NUMBER:													VANGUARD PERMAIN LLC STATE SECTION 1 LA 22													9/17/2008			
Days since spud: 20				Operation:						Tripping in Hole																			
Drlg Hrs						Current Formation							DRINKARD					Hole Made				109'							
Current Depth 7653'				Daily Cost:		\$107,070				Cum. Cost: \$924,207				Mud: \$3,546				CUM. \$14,584.00											
						Last casing :		DEPTH 1965			O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd												
Mud Properties		Type: BRINE Wt.				10.0		Vis: 32		PV: 3		YP: 5		Gels: 2 2		Cake 2/32		WL: 11.0		H: 9.5									
CHL: 184,000		Calcium 2200		O/W ES: 96.6		%Oil:				%Sand:		MBT:		%Total Solids: 3.4															
%LGS:		%HGS:		#/BBL BEN:				#/BBL DS:				LCM:		#/BBL		Meas. Cake:													
Materials Used Last 24 Hours										Mud Log Data				BOTTOM HOLE ASSEMBLIES															
GEL				SW GEL 170				LMST				DESCRIPTION		O.D.				LENGTH		ft									
PAPER				MF-55-				Shale				1-Bit				7.88				0.75									
LIME				STARCH 5l				DOLO				1-BIT SUB		6"						3.03									
Caustic				A-CIDE 5				SandSt				1-DC		6"						28.25									
DEFOAM 4				120-GAL.				BKG				1-IBS				7.88				5.42									
								Conn				1-DC		6"						30.38									
				Total Today		Cummulative				Drbk				1-IBS						5.87									
Water								Flare				25-DCS		6"						750.21									
BHA Hrs		11		338				Trip																					
Rotating Hrs.		11		338				Minimum I.D. 2.50 in																					
Torque		None																											
													Total								823.91								
Hydraulics:		#1				#2				Surveys																			
Pump (Make & Model)		GD PZ8				GD PZ8				Measured Depth						Azimuth													
LS x SL x SPM		8" / 6"x 103				8" 6"x 115				7385'		3/4*																	
Slow rate (spm/psi)		7525		51-296#		61 351#																							
GPM 288						GPM																							
AVDP 169						JV																							
AVDC 271						Frac grad @ cs																							
Circ. Pressure 1155#												BOP																	
Bit #		6		7		Depth Out		7653'		INC		Tested-09-01-08																	
Run Number:		6		7		Depth In		7272'		7653'		Pressure Csg head 9/1/2008																	
Size		7 7/8		7.875		Footage		381'				Sidetrack Yes Nc X																	
Make		JZ		JZ		Hours Drilling		28.00				KOTMD																	
Type		HA63L		HF43S		WOB (min/max)		48K				KOTVD																	
Serial Number		C2O276		E24353		RPM (min/max)		65				PBTMD																	
No. & Size Jets		3X14		1-14-2-13		Condition		4-2-I				PBTVD																	
IADC Code		647-Y		617		FPH		13.6																					
String Weight up 210,000				String weight down 190,000				String Weight Rotating: 200,000																					
HOURS		FROM - TO																											
11.00		06:00-17:00		Drlg F/ 7544'-7653'-109' (ROP-9.9 Feet Per Hour) Lost 300# Pump Preasure																									
3.50		17:00-20:30		Trip out of Hole to Collars																									
5.00		20:30-01:30		Inspect Drill Collars-Lay Down 2 -D.C.S.-Cracked																									
4.50		01:30-06:00		Trip in Hole																									

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/18/2008			
Days since spud: 21			Operation:				Drilling @ 7940'																
Drig Hrs 22								Current Formation						DRINKARD				Hole Made 174'					
Current Depth 7940'			Daily Cost:		\$30,416			Cum. Cost: \$956,072			Mud: \$1,018			CUM. \$15,602.00									
					Last casing :			DEPTH 1965			O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd						
Mud Properties		Type: BRINE		Wt. 10.1		Vis: 32		PV: 4		YP: 7		Gels: 2/3		Cake 2/32		WL: 10.4		H: 10.0					
CHL: 186,000		Calcium 2200		O/W ES: 96.1		%Oil:			%Sand:			MBT:		%Total Solids: 3.9									
%LGS:		%HGS:		#BBL BEN:				#BBL DS:				LCM:		#BBL		Meas. Cake:							
Materials Used Last 24 Hours								Mud Log Data				BOTTOM HOLE ASSEMBLIES											
GEL				SW GEL 29				LMST				DESCRIPTION		O.D.				LENGTH ft					
PAPER				MF-55-				Shale				1-Bit				7.88		0.75					
LIME				STARCH 12				DOLO				1-BIT SUB		6"				3.03					
Caustic				A-CIDE				SandSt				1-DC		6"				28.25					
DEFOAM 4				120-GAL.				BKG				1-IBS				7.88		5.42					
								Conn				1-DC		6"				30.38					
		Total Today		Cummulative				Drbk				1-IBS						5.87					
Water								Flare				23-DCS		6"				690.21					
BHA Hrs		22		22				Trip															
Rotating Hrs.		22		360				Minimum I.D. 2.50		in													
Torque		None																					
												Total						763.91					
Hydraulics:		#1		#2				Surveys															
Pump (Make & Model)		GD PZ8		GD PZ8				Measured Depth						Azimuth									
LS x SL x SPM		8" / 6"x 103		8" 6"x																			
Slow rate (spm/psi)		7900'		51-320#																			
GPM 288				GPM																			
AVDP 169				JV																			
AVDC 271				Frac grad @ cs																			
Circ. Pressure 1220#										BOP													
Bit #		7		Depth Out		INC				Tested-09-01-08													
Run Number:		7		Depth In		7653'				Pressure Csg head 9/1/2008													
Size		7 7/8		Footage		287'				Sidetrack Yes Nc x													
Make		JZ		Hours Drilling		22.00				KOTMD													
Type		HF-43S		WOB (min/max)		48K				KOTVD													
Serial Number		E2453		RPM (min/max)		65				PBTMD													
No. & Size Jets		1-14-2-13		Condition						PBTVD													
IADC Code		617		FPH 13.05																			
String Weight up 210,000				String weight down 200,000				String Weight Rotating: 200,000															
HOURS		FROM - TO																					
1.50		06:00-07:30		Trip in Hole																			
0.50		07:30-08:00		Pick up Kelly & Wash 60' to Bottom																			
22.00		8:00-06:00		Drig F/ 7653'-7940'-287' (ROP-13.05 Feet Per Hour)																			

WELL NAME AND NUMBER:				VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/19/2008					
Days since spud: 22		Operation:				TRIPPING IN HOLE													
Drlg Hrs 5 1/4								Current Formation ABO				Hole Made 60'							
Current Depth 8000'		Daily Cost:		\$46,511		Cum. Cost: \$1,002,927		Mud: \$122		CUM. \$15,724.00									
				Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd					
Mud Properties		Type: BRINE Wt.		10.1		Vis: 32		PV: 4		YP: 7		Gels: 2/3		Cake 2/32		WL: 10.4		H: 9.5	
CHL: 183,000		Calcium 2200		O/W ES: 96.1		%Oil:		%Sand:		MBT:		%Total Solids: 3.9							
%LGS:		%HGS:		#/BBL BEN:		#/BBL DS:		LCM:		#/BBL		Meas. Cake:							
Materials Used Last 24 Hours						Mud Log Data				BOTTOM HOLE ASSEMBLIES									
GEL				SW GEL				LMST				DESCRIPTION		O.D.				LENGTH ft.	
PAPER 2				MF-55-				Shale				l-Bit				7.88		0.75	
LIME				STARCH 5				DOLO				l-BIT SUB		6"				3.03	
Caustic				A-CIDE				SandSt				25-DCS		6"				748.84	
DEFOAM				120-GAL.				BKG											
						Conn													
		Total Today		Cummulative				Drbk											
Water								Flare											
BHA Hrs		27 1/4		27.25				Trip											
Rotating Hrs.		5 1/4		362.25				Minimum I.D. 2.50		in									
Torque		None																	
												Total						752.62	
Hydraulics:		#1		#2		Surveys													
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Azimuth									
LS x SL x SPM		8" / 6"x 103		8" 6"x		7885'		1*											
Slow rate (spm/psi)																			
GPM 288				GPM															
AVDP 169				JV															
AVDC 271				Frac grad @ cs															
Circ. Pressure		1220#								BOP									
Bit #		7		Depth Out		8000'				Tested-09-01-08									
Run Number:		7		Depth In		7653'				Pressure Csg head		9/1/2008							
Size		7 7/8		Footage		347'				Sidetrack		Yes Nc x							
Make		JZ		Hours Drilling		27.25				KOTMD									
Type		HF-43S		WOB (min/max)		50K				KOTVD									
Serial Number		E2453		RPM (min/max)		65				PBTMD									
No. & Size Jets		1-14-2-13		Condition		2-2-1				PBTVD									
IADC Code		617		FPH		12.7													
String Weight up		210,000		String weight down		200,000		String Weight Rotating:		200,000									
HOURS		FROM - TO																	
0.75		06:00-06:45		W.L. Survey @ 7885'-1*															
5.25		06:45-12:00		Drlg F/ 7940'-8000'-60' (ROP-11.4 Feet Per Hour)															
2.25		12:00-14:15		Pump 50 Vis Sweep,Cir for Logs- Spot 50 Vis Pill on Bottom															
5.25		14:15-19:30		Trip out Hole for Logs- Drillers Strap- 8002.96															
0.50		19:30-20:00		Rig up Halliburton to Log															
6.50		20:00-02:30		Log W/ Halliburton -Loggers T.D.-7984' -Drillers-8002.96															
3.50		02:30-06:00		Trip in Hole															
</																			

WELL NAME AND NUMBER: VANGUARD PERMAIN LLC STATE SECTION 1 LA 22														9/20/2008	
Days since spud: 23		Operation: Cementing With Rising Star													
Drig Hrs 0		Current Formation				ABO				Hole Made 0					
Current Depth 8000'		Daily Cost: \$183,388		Cum. Cost: \$1,187,880		Mud: \$0		CUM.		\$15,724.00					
		Last casing :		DEPTH 1965		O.D. 8 5/8		WEIGHT 32#		BURST 39.3		THDS 8rd			
Mud Properties		Type: BRINE	Wt. 10.1	Vis: 32	PV: 4	YP: 7	Gels: 2/3	Cake 2/32	WL: 10.4	H: 9.5					
CHL: 183,000		Calcium 2200	O/W ES: 96.1	%Oil:	%Sand:	MBT:		%Total Solids: 3.9							
%LGS:		%HGS:	#/BBL BEN:	#/BBL DS:	LCM:		#/BBL	Meas. Cake:							
Materials Used Last 24 Hours					Mud Log Data				BOTTOM HOLE ASSEMBLIES						
GEL		SW GEL		LMST				DESCRIPTION		O.D.	LENGTH ft.				
PAPER		MF-55-		Shale											
LIME		STARCH		DOLO											
Caustic		A-CIDE		SandSt											
DEFOAM		120-GAL.		BKG											
				Conn											
				Drbk											
Water				Flare											
BHA Hrs 27 1/4		27.25		Trip											
Rotating Hrs. 5 1/4		362.25		Minimum I.D. 2.50 in											
Torque None															
								Total							
Hydraulics:		#1		#2		Surveys									
Pump (Make & Model)		GD PZ8		GD PZ8		Measured Depth				Azimuth					
LS x SL x SPM		8" / 6"x 103		8" 6"x		7885'		I *							
Slow rate (spm/psi)															
GPM				GPM											
AVDP				JV											
AVDC				Frac grad @ cs											
Circ. Pressure		300#								BOP					
Bit #				Depth Out						Tested-09-01-08					
Run Number:				Depth In						Pressure Csg head 9/1/2008					
Size				Footage						Sidetrack Yes Nc x					
Make				Hours Drilling						KOTMD					
Type				WOB (min/max)						KOTVD					
Serial Number				RPM (min/max)						PBTMD					
No. & Size Jets				Condition						PBTVD					
IADC Code				FPH											
String Weight up		125,000		String weight down		115,000		String Weight Rotating:		120,000					
HOURS	FROM - TO														
2.00	06:00-08:00	Trip in Hole													
3.50	08:00-11:30	Cir & Wait on Lay Down Machine-(Saftey Meeting W/ Crews)													
5.50	08:00-17:00	Lay Down Drill Pipe & DCS- Break Kelly													
0.50	17:00-17:30	Rig up Casing Crew & Held Saftey Meeting													
8.25	17:30-01:45	Run 201 Jts 5 1/2 Casing-													
2.00	01:45-03:45	Try to Wash To Bottom (Stopped @ 7955')													
1.75	03:45-05:30	Rig up Cementers & Cir													
0.50	05:30-06:00	Hold Saftey Meeting & Cement W/ Rising Star													
		NO ACC.-Held- 30 Min. Saftey /w Each Per Tour													
		Water Hauled on Well-Fresh-41 Loads-Brine-47-Loads- Mud Loads Hauled Off-72													
24.00		Diesel on Hand-4,985. Gal - Used-488. Gal-Total This Well-114440. Gal.													

WELL NAME AND NUMBER:										VANGUARD PERMAIN LLC STATE SECTION 1 LA 22										9/21/2008			
Days since spud: 24			Operation:					Waiting on Daylight															
Drig Hrs 0								Current Formation					ABO					Hole Made 0					
Current Depth 8000'			Daily Cost:		\$221,676			Cum. Cost: \$1,262,193			Mud: \$0			CUM. \$15,724.00									
					Last casing :			DEPTH 7995.29'			O.D. 5 1/2		WEIGHT 17		BURST			THDS 8rd					
Mud Properties		Type: BRINE		Wt.				Vis:		PV:		YP:		Gels:		Cake		WL:		PH:			
CHL:		Calcium		O/W		ES:		%Oil:		%Sand:		MBT:		%Total Solids:									
%LGS:		%HGS:		#BBL BEN:				#BBL DS:				LCM:		#BBL		Meas. Cake:							
Materials Used Last 24 Hours										Mud Log Data					BOTTOM HOLE ASSEMBLIES								
GEL				SW GEL				LMST				DESCRIPTION		O.D.				LENGTH ft.					
PAPER				MF-55-				Shale															
LIME				STARCH				DOLO															
Caustic				A-CIDE				SandSt															
DEFOAM				120-GAL.				BKG															
										Conn													
		Total Today		Cummulative				Drbk															
Water								Flare															
BHA Hrs		0		27.25				Trip															
Rotating Hrs.		0		362.25				Minimum I.D. 2.50 in															
Torque		None																					
												Total											
Hydraulics:		#1		#2				Surveys															
Pump (Make & Model)		GD PZ8		GD PZ8				Measured Depth						Azimuth									
LS x SL x SPM		8" / 6"x 103		8" 6"x				7885'				*											
Slow rate (spm/psi)																							
GPM				GPM																			
AVDP				JV																			
AVDC				Frac grad @ cs																			
Circ. Pressure				300#								BOP											
Bit #				Depth Out								Tested-09-01-08											
Run Number:				Depth In								Pressure Csg head 9/1/2008											
Size				Footage								Sidetrack Yes Nc X											
Make				Hours Drilling								KOTMD											
Type				WOB (min/max)								KOTVD											
Serial Number				RPM (min/max)								PBTMD											
No. & Size Jets				Condition								PBTVD											
IADC Code				FPH																			
String Weight up				String weight down				String Weight Rotating:															
HOURS		FROM - TO																					
1.00		06:00-07:00		Cement W/ Rasing Star-Plug Dn@07:00- (09-20-08)-Did not cir cement																			
8.00		07:00-15:00		Hold PSI on Plug 3Hrs-Release psi,Nipple Down,Set Slips-Set 120,000 on Slips, Cut Casing Off																			
				Jet Pits, (Rig Released @ 15:00-09-20-08																			
3.00		15:00-1800		Rig Down																			
12.00		18:00-06:00		Wait on Daylight																			
				NO ACC.-Held- 30 Min. Saftey /w Each Per Tour																			
				Water Hauled on Well-Fresh-42 Loads-Brine-47-Loads- Mud Loads Hauled Off-88																			
24.00				Diesel on Hand-4,776. Gal - Used-209. Gal-Total This Well-114649. Gal.																			

[illegible]



STATE SECTION 1 LA #22

Completion Report Drinkard Formation

RECEIVED
MAY 22 2009
HOBBSOCD

Daily Report

9/22/2008: R/U Gray W/L. RIH w/ 4.71" Guaged Ring & junk basket. Tagged fill @ 7945' per DOM. No bit & scrapper needed. Run GR, CCL, & CBL correlating to Halliburton open hole log of 9/18/2008. Tag fill & make correction. Loggers depth = 7902.00' KB. Log from 7902' to 2300' found TOC @ 2500'. Logs dispersed. R/D W/L & secure well.

Daily Cost \$8,400

9/23/2008: N/U 6" X 900 ser manual BOP. R/U Gray W/L & Perf ~~7612'-7622', 7636'-7642', 7652'-7666', 7680'-7686'~~ 72 holes, 2 spf, 0.41" dia, used 3-1/8" csg guns. R/D W/L. Rack & strap 250 jts 3-1/2" N-80 workstring (7826.00') R/U Key pulling unit. Pick up & RIH w/ 5-1/2" Lockset service PKR & 237 jts 3-1/2 ws. PKR swinging @ 7514.00' Secure well & SDFN

Daily Cost: \$18,400.00

Cum Cost: \$26,800.00

9/24/2008: Set PKR @ 7514.00KB, Load backside w/ 2% KCL (6 bbls) Test to 1000# OK, Hold 500# on backside. RU CUDD P/S. Acid & Frac Drinkard 7612'-7686'. Spearhead 1500 gals 15% HCL dn tbg 4.5 BPM @ 4750# 200# break as acid hit formation. Frac same w/ 36,500# 20/40 white sand & 10,000# 16/30 Super L/C sand (1# thru 5# stages). ATP 5393# ATR 14.3 BPM, MTP 6400#, MTR 20.0 BPM. TLTBR 750 bbls. ISIP 4850#, 5 min 4064, 10 min 3850#, 15 min 3740#. R/D CUDD P/S. 5 hr S/I 2700#. Open well to frac tank on 20/64th choke. 1 hr 450# rec'd 88 bbls, 2 hrs 160# rec'd 135 bbls total. TLLTBR 610 bbls. Left well to flow to frac tanks overnite. SDFN

Daily Cost: \$74,200.00

Cum Cost: \$101,800.00

9/25/2008: Well open to tanks on 20/64th choke, TP 20 psig, CP 0 psig. Full open choke & blow well dn to tanks. Fluid rec'd overnite 32 bbls wtr. TLLTBR 578 bbls. R/U to swab, 20 runs total, SFL surface, EFL 7000', 0 oil cut last run, no gas present, rec'd 122 bbls wtr. TLLTBR 456 bbls. R/D swab. Shut well in overnite for pressure & fluid level build up. Secure well & SDFN

Daily Cost: \$4,470.00

Cum Cost: 106,270.00

9/26/2008: TP 35 psig, CP 0 psig, R/U to swab, 13 runs total, SFL 4500', EFL 7300', 5% oil cut last run, no gas present, rec'd 62 bbls fluid, TLLTBR 394 bbls. shut well in & SDFN.

Daily Cost: \$4300.00

Cum Cost: \$110,570.00

9/27/2008: TP 5 psig, CP 0 psig, R/U to swab, 4 runs total, SFL 6000', EFL 7300', 10% oil cut last run, no gas present, rec'd 14 bbls fluid, TLLTBR 380 bbls, shut well in & SDFWE.

Daily Cost: \$1200.00

Cum Cost: \$111,770.00

9/28/2008: No activity

9/29/2008: TP 200 psig, CP 0 psig, R/U to swab 12 runs total, SFL 3100', EFL 7450' 30% oil cut last run, no gas present, rec'd 54 bbls fluid, TLLTBR 326 bbls. Fluid level builds up when swabbed off 100'/hr, SI & SDFN.

Daily cost: \$4,500.00

Cum Cost: \$ 116,270.00

9/30/2008: TP 160 psig, CP 0 psig, Fluid level 5000', R/U to swab. 4 runs total, SFL 5000', EFL 7500', 45% oil cut last run, no gas present, rec'd 16 bbls fluid, TLLTBR 310 bbls. R/D swab & prepare to pull tbq. Unset PKR & POH laying down 237 jts 3-1/2" ws & Ser PKR. SW & SDFN.

Daily cost: \$5,500.00

Cum cost: \$121,770.00

10/01/2008: Release & move out all 3-1/2" ws. Rack & strap 240 jts 2-7/8" white & yellow band J-55 tbq (7651.20'). PU & RIH w/ 2-7/8" bull plug on 2 jts 2-7/8" tbq, 2- 2-7/8" X 3' perf subs, 2-7/8" SN, 10 jts 2-7/8" tbq. 2-7/8" X 5-1/2" TAC, 225 jts 2-7/8" tbq. RDBOP & NUWH, Set TAC 20K. Landed 7583.56' KB, SN 7520.26' KB, TAC 7195.44' KB. SW & SDFN. (repair rig brakes)

Daily cost: \$21,750.00

Cum cost: \$143,520.00

10/02/2008: Well open to frac tank. P/U & RIH w/ 1-1/4" X 15' GA, 2-1/2" X 1-1/2" X 16' rag ring pump, 1" X 1' LS, 6- 1-1/2" K-Bars, 130- 3/4" D rods, 70- 7/8" D rods, 95- 1" D rods, 1-1/4" X 18' PR w/ 12' PRL. Space well out & clean loc. RDMO.

Daily cost: \$19,800.00

Cum cost: \$163,320.00

10/03/2008: Move in & set National 456C pumping unit. 90" SL, 7.5 SPM

Daily cost: \$3,500.00

Cum cost: \$166,820.00

10/04/2008: Build tbg head, no electrical from Lea Co., Move in generator & electrify unit. Load tbg 500# OK. Leave well pumping to frac tank on Auto 65%.

Daily cost: \$2,500.00

Cum cost: \$169,320.00

10/05/2008: Generator down to rain storm. 25 bbls wtr, 1 bbl oil, 0 gas

Daily cost: \$150.00

Cum cost: \$169,470.00

10/06/2008: 12hrs: 46 bbls wtr, film of oil, 0 mcf. Repaired wrist pin from spinning in crank arm (12 hrs)

Daily cost: \$1550.00

Cum cost: \$171,020.00

10/07/2008: 22 hrs: 105 bbls wtr, 1 bbls oil, 0 mcf.

Daily Cost: \$250.00

Cum Cost: \$171,270.00

10/08/2008: 22 hrs: Respace pump, 87 bbls wtr, 8 bbls oil, gas present (no meter). Holding 225 psig on Baird back pressure tbg valve.

Daily Cost: \$400.00

Cum Cost: \$171,670.00

10/09/2008: 24hrs, Auto 50%, Baird BP 200 psig, CP 25 psig, 4 bbls wtr, 21 bbls oil, slight gas present.

Daily Cost: \$200.00

Cum Cost: \$171,870.00

10/10/2008: Auto 47%, TP 200 psig on Baird, CP 25 psig, 3 bbls wtr, 17 bbls oil, Slight gas present.

Daily Cost: \$200.00

Cum Cost: \$172,070.00

10/11/2008: Auto 47%, TP 200 psig, CP 25 psig, 3 bbls wtr, 16 bbls oil, Slight gas present.

Daily Cost: \$150.00

Cum Cost: \$172,220.00

10/12/2008: Auto 47%, TP 200 psig, CP 25 psig, 3 bbls wtr, 15 bbls oil, Slight gas present.

Daily Cost: \$150.00

Cum Cost: \$ 172,370.00