30-025-22932 (SWD) te 27#2 -27-145-32E 06015-660/E

HOBBS OCD

NOV 1 4 2013

DAILY OPERATIONS REPORT

State 27 # 2

CrownQuest

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State 27 # 2

Lea Co., NM

Property#: 200996-02

Zone: 1 Field: Tulk

Sep 20, 2012 Thursday

(Day 1)

MI RU PU from yard, Lea County Packers released 5 1/2" Lock set packer, TOH w/ 109 its 2 7/8" IPC tubing and 200 its 2 3/8" IPC tubing, total 9729', packer was rebuilt and found to be in good condition and tubing look good, CWIFN

Daily Cost:

Cum. Cost:

Sep 21, 2012 Friday

(Day 2)

RU tubing testers, tubing was dual lined J-55 IPC, did not have tools to test dual lined tubing, decided not to repair well due to cost and low amount of water injected, lay down packer, release tubing testers, RIH w/ tubing and laid down 109 its dual lined 2 7/8" IPC and 100 its dual lined 2 3/8" tubing, CWIFN.

Daily Cost:

Cum. Cost:

Sep 22, 2012 Saturday

(Day 3)

POOH w/ 80 jts 2 3/8" DL IPC tubing, left 20 JIW for kill string, roustabouts hauled 289 joints tubing and racks to CQ vard, RD MO PU to Waddell #2301. Final Report.

Daily Cost:

Cum. Cost:

Sep 27, 2012 Thursday

(Day 4)

MI RU PU from Waddell 2301, Double R Pipe delivered 2 7/8 work string, tallied tubing, RIH w/ 5 1/2 rental compression packer from Lea County Packers and 65 jts 2 7/8" tubing, CWIFN.

Daily Cost:

Cum. Cost:

Sep 28, 2012 Friday

(Day 5)

RIH w/ 235 joints, 300 JIW at 9706', set packer, loaded casing w/ 22 bbls, pressured up to 500 psi, casing pressure bled off from 500 psi to 100 psi in 7 minutes, POOH w/ 3 jts, packer at 9608', set packer, loaded tubing w/ 20 bbls, pressured up to 500 psi, pressure bled off from 500 psi to 100 psi in 6 minutes, released packer and shut down at 3:00 pm due to heavy rain.

Daily Cost:

Cum. Cost:

Oct 1, 2012 Monday

(Day 6)

Packer released sitting at 9608 w/ 297 JIW, POOH w/ 31 jts, 266 JIW and set packer at 8607', loaded casing w/ 18 bbls pressured to 500 psi, pressure fell from 500 psi to 100 psi in 6 min, released packer, POOH w/ 20 jts, 246 JIW, set packer at 7962', pressure test failed, POOH w/ 30 jts, 216 JIW, set packer at 6988', pressure test failed, POOH w/ 30 jts, 186 JIW, set packer at 6028, loaded casing w/ 18 bbls, pressured to 500 psi, pressure held for 15 min, RIH w/ 10 jts, 196 JIW, set packer at 6350', pressure test failed, POOH w/ 6 jts, 190 JIW, set packer at 6156', pressure test failed, POOH w/ 2 its, 188 JIW, set packer at 6092', casing pressure tested good to 500 psi for 15 min, RIH w/ 1 it, 189 JIW, set packer at 6124', pressure test failed, casing leak between 6092' and 6124', released packer and CWIFN

Daily Cost:

Cum. Cost:

Oct 2, 2012 Tuesday

(Day 7)

POOH w/ 189 jts tubing and packer, W/O orders from NM OCD.

Daily Cost:

Cum. Cost:

Oct 3, 2012 Wednesday

(Day 8)

Waiting on orders from NM OCD, rig and crew on standby.

Daily Cost:

Cum. Cost:

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NOV 1 4 2013

025-22932 (Swo) 5to 27#2 D-27-14=32= e6015 - 6601F

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State 27 # 2

Lea Co., NM

Property#: 200996-02

Zone: 1 Field: Tulk

Oct 4, 2012 Thursday

(Dav 9)

RIH w/ 292 its tubing, POOH and laid down 292 its 2 7/8" work string, RD MO to State 26-5.

Daily Cost:

Cum. Cost:

Oct 11, 2012 Thursday

(Day 10)

MI RU PU, tallied tubing, RIH w/ 5 ½" RBP and 5 ½ " packer, set RBP at 9706', POOH with 1 joint and set packer at 9674', RBP did not pressure test, release RBP and set at 9690', set packer at 9674', pressure tested to 500# for 15 min. pressure held, POOH and set packer at 6219', pressure tested to 500# for 15 min, pressure held, POOH and set packer at 6051', pressure tested casing to 500 psi, pressure held, RU pump truck and pumped down tubing into casing leak at 1/4 bbl min, pressure was 700 psi, opened 8 5/8" intermediate valve, no pressure or flow from intermediate, RD pump truck and CWIFN.

Daily Cost:

Cum. Cost:

Oct 12, 2012 Friday

(Day 11)

RU pump truck, packer set at 6051', loaded and pressure casing to 500 psi, pumped down tubing into casing leak ½ bbl min at 2000 psi, total of 10 bbls, no flow out of intermediate, released packer and RIH to 6124', spotted 350 gal. 20% double inhibited HCL, POOH w/ 4 its, reversed 12 bbls water, set packer at 5989', pressured casing to 500 psi, pumped ½ bbl min down tubing at 2140 psi, max rate 0.8 bpm, avg rate .6 bpm, total of 16 bbls, no flow out of intermediate, shut pump down, ISIP 1800 psi, bled down to 0 psi in 3 min, RD and release pump truck, CWIFN.

Daily Cost:

Cum. Cost:

Oct 15, 2012 Monday

(Day 12)

Release packer 5989' and RIH to 6100' set packer, pressure tested casing to 500 psi, held, pumped down tubing, leaked, RIH to 6114' pumped down casing, leaked, tubing pressure tested to 500 psi, released packer and RIH to 9690' release RBP, POOH w/ packer and RBP, RIH w/ 5 1/2" CIBP, tried to set at 6264', would not set, POOH to 6225' set CIBP, POOH w/ 16 stands, CWIFN.

Daily Cost:

Cum. Cost:

Oct 16, 2012 Tuesday

(Day 13)

POOH w/ tubing, RIH w/ packer to 6215', set packer and pressure tested CIBP to 500 psi for 15 min, good test, POOH and set packer at 5957', pressure tested casing to 500 psi and held, pumped 15 bbls water down tubing into casing leak 0.5 BPM at 1800 psi, broke circulation up 8 5/8" casing, flowed back heavy black water into steel pit, pumped 40 bbls fresh water, returns were clean. CWIFN. Ordered wire line to perforate casing 10-17-12.

Daily Cost:

\$18,034

Cum. Cost:

\$18,034

Oct 17, 2012 Wednesday

(Day 14)

RU Black Warrior wire line, RIH w/ 1' x 1 9/16" casing punch gun to packer and correlated to packer depth w/ CCL (CCL and tally within 2'), RIH to 6104' CCL kicked, moved over spot three times, CCL kicked on same spot indicating hole, hole located in middle of joint, set perf gun at 6104.5' and perforated casing w/ 4 shots, POOH and RD wire line. RU pump truck, pump down tubing (packer set 5957.67'), broke circulation with 8 bbls, established rate of 3 BPM at 800 psi, circulated 83 bbls fresh water, release and POOH w/ packer, RIH w/ CICR and 184 its tubing and set CICR at 5957.67'. pressure tested tubing to 2000 psi, good test, sting out and circulated tubing clean w/ 40 bbls, sting in and establish rate of 2.25 BPM at 550 psi, RD and release pump truck, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

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Lea Co., NM

Property#: 200996-02

Zone: 1 Field: Tulk

Oct 18, 2012 Thursday

(Day 15)

RU Rising Start cementers, held safety meeting, pressure tested lines and manifold, put 500 psi on 5 ½" casing, lost pressure due to leak in manifold, pumped fresh water spacer and broke circulation with 15 bbls at rate of 3 BPM at 700 psi, pumped 20 bbls treated water, started lead cement 200 sax Class C 50/50/10 11.8#, 3 BPM @ 700 psi, pressure dropped at the end of lead cement to 4 BPM @ 200 psi, started tail 100 sax Class C neat 14.8#, 3.5 BPM @ 200 psi, shut down to wash and flush lines to pit, started 34 bbl displacement at 2 BPM @ 50 psi, after 32 bbls displacement(1 BPM @ 300 psi) shut intermediate valve, displaced 1 bbl (1 BPM @ 600 psi), shut down and sting out of CICR, pulled 1 stand tubing, leaving 1 bbl cement on retainer, reversed out 45 bbls water and 1 bbl cement, RD and release cementers, POOH w/ 184 jts tubing and stinger, shut BOP and CWIFN.

Rising Star Services: \$14,199.92 Lea County Packers: \$2000 Choctaw #9: \$1834.00

Daily Cost:

Cum. Cost:

\$18,034

Oct 19, 2012 Friday

(Day 16)

RIH w/ 4 ¾" mill tooth bit, bit sub, 6 -3.5" drill collars, 177 jts tubing, tagged cement at 5913', top of retainer at 5955', 42' cement on retainer, POOH w/ 2 stands, RU stripping head and reverse unit, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 22, 2012 Monday

(Day 17)

RIH w/ 2 stands, 177 JIW, tagged at 5913', drilled out 42' cement to CICR at 5955', hydraulic filters plugged up on swivel, replaced and drilled out retainer in 3 hours and 17' cement below retainer, drilled out total of 59' cement, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 23, 2012 Tuesday

(Day 18)

RIH w/ 2 stands tagged at 5972', drilled out 138' cement to 6110', fell through and circulated clean to CIBP at 6225', pressure tested casing to 500 psi for 30 min, pressure held, RIH and tagged CIBP drilled out in 3 hrs, RIH and tagged at 9807', 143' fill above PBTD, 85' fill above perfs, POOH w/ 14 jts, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 24, 2012 Wednesday

(Day 19)

RIH w/ 14 jts, drilled and circulated heavy scale out of well 9807' to 9924', 26' from CIBP, circulate clean, rig broke down for 4 hours due to mechanial problems, POOH w/ 20 jts started laying work string down, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 25, 2012 Thursday

(Day 20)

POOH and laid down 314 jts work string tubing, moved off racks, racked and tallied Salta IPC, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 26, 2012 Friday

The Market

(Day 21)

Pick up 5 1/2" lock set packer, RU Monk Tubing testers, RIH with 2 jts, could not get cups to seal on hydro tester, RD and release testers, TIH w/ 127 jts 2 3/8" Salta lined tubing and 26 jts new 2 3/8" IPC off the rack, laid down 71 jts 2 3/8" and 24 jts 2 7/8" Salta tubing with bad liner at the pins and couplings, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

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Lea Co., NM

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Zone: 1 Field: Tulk

Oct 29, 2012 Monday

(Day 22)

Double R Pipe delivered new IPC tubing, TIH w/ 46 jts 2 3/8" IPC, Salta xover 82 jts 2 7/8" Salta lined tubing, and 26 jts 2 7/8" new IPC, set packer at 9699', loaded casing w/ 13 bbl fresh water, pressure tested to 500 psi, tested good, release on/off tool, CWIFN.

Daily Cost:

Cum. Cost:

\$18,034

Oct 30, 2012 Tuesday

(Day 23)

RU pump truck to tubing, treated water w/ packer fluid, pumped and circulated 230 bbls water to steel pit, latched on/off tool onto packer, ND BOP, NU WH, set up chart recorder, pressure tested casing to 530 psi, held for 35 min, good test, replaced 2 7/8" injection valve, pumped into tubing 1.5 BPM @ 100 psi, 16 bbls in, 1.5 BPM @1200 psi, 42 bbls in, RD and release pump truck, RD MO PU to Fed. 6 -2J. Final Report.

Daily Cost:

Cum. Cost:

\$18,034