

Yeso Energy Morgan Federal #1

12/28/2012

Moved in rigged up and installed BOP. Moved in remaining plugging equipment. Picked up 5 ½" scraper and started in the hole. Ran 75 joints before dark. SION

Rig time: 12.5 hrs @ 300.00	3750.00
Supervisor	500.00
Haul trucks to move equipment and work string 8 hrs @ 105.00	840.00
Cement Pump Travel 62 miles @ 3.50/mile	217.00
Rental pipe 9203' @ 0.15/foot	1380.45
5 ½"scraper	550.00
BOP	1376.35
Backhoe 5 hrs @ 95.00	475.00
Steel pit	150.00
Subtotal	9238.80
Tax 5.5%	508.13
Daily Total	<u>9746.93</u>

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12/29/2012

Finished picking up work string. Ran scrapper to 9207'. POH with tubing and stood back. Laid down scrapper and SION.

Rig time: 13 hrs @ 300.00	3900.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
Subtotal	5930.45
Tax 5.5%	326.17
Daily Total	6256.62

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12/29/2012

Finished picking up work string. Ran scrapper to 9207'. POH with tubing and stood back. Laid down scrapper and SION.

Rig time: 13 hrs @ 300.00	3900.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
Trucking for brine & fresh water 7.5 hrs @ 105.00	787.50
Brine 130 bbls @ 2.00/bbl	260.00
Fresh water 130 bbl @ 1.00/bbl	130.00
Subtotal	7107.95
Tax 5.5%	390.94
Daily Total	7498.89

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12/31/2012

RIH with CIBP and set at 9203'. Circulated hole with brine and mud. Spotted 35 sx class H cement on top of CIBP. WOC and tagged at 8885'. POH with tubing and laid down CIBP setting tool. SION

Rig time: 13 hrs @ 300.00	3900.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
Trucking for brine & pit water to disposal 9.0 hrs @ 105.00	945.00
Brine 130 bbls @ 2.00/bbl	260.00
Pit water to disposal 130 bbl @ .80/bbl	104.00
Cement Pump	2500.00
35 sx Class H cement @ 17.5/sk	612.50
46 sx mud @ 15.00/sk	690.00
Subtotal	11041.95
Tax 5.5%	607.31
Daily Total	11649.25

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1/1/2013

RIH to 7614' and spotted 25 sx class H cement. WOC and tagged at 7407'. POH to 5126' and spotted 25 sx class H cement. POH & SION.

Rig time: 11.5 hrs @ 300.00	3450.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
50 sx Class H cement @ 17.5/sk	875.00
CaCl 100# @ 2.00/lbs	200.00
Subtotal	6555.45
Tax 5.5%	360.55
Daily Total	6916.00

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1/2/2013

RIH and tagged at 4930'. POH to 2812' and pumped 25 sx class C cement with CaCl. WOC and tagged at 2536'. POH to 1580' and pumped 25 sx class C cement. POH & SION.

Rig time: 11.5 hrs @ 300.00	3450.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
Trucking for brine & pit water to disposal 9.0 hrs @ 105.00	630.00
Brine 40 bbls @ 2.00/bbl	80.00
Pit water to disposal 120 bbl @ .80/bbl	96.00
Cement Pump: Changed to Class C Cement	2500.00
50 sx Class C cement @ 17.5/sk	875.00
CaCl 50# @ 2.00/lbs	100.00
Subtotal	9761.45
Tax 5.5%	536.88
Daily Total	10298.33

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1/3/2013

RIH and tagged cement at 1293'. POH to 160' and circulated class C cement to surface. Rigged down and cut off wellhead. 5 1/2" X 8 5/8" annulus had water to surface after cutting off the wellhead. The water was bubbling gas and running over. Called Hobbs OCD and it was decided to "one inch" the annulus to 60' and pump cement to surface. Ran 1" tubing to 60' and circulated cement to surface. Monitored annulus after pumping cement and it remained stable...stopped running over. Installed dry hole marker, cut off anchors, and covered cellar.

CIBP used 12/31/2012	1650.00
Rig time: 12.5 hrs @ 300.00	3750.00
Supervisor	500.00
Rental pipe 9203' @ 0.15/foot	1380.45
Steel pit	150.00
Trucking for fresh water & pit water to disposal 10.0 hrs @ 105.00	1050.00
Fresh water 50 bbls @ 1.00/bbl	50.00
Pit fluids to Gandy Marley 120 bbl @ 5.00/bbl	104.00
20 sx Class C cement @ 17.5/sk	350.00
Dry hole marker	250.00
Welder 6 hrs @ 85.00/hr	510.00
Backhoe 5 hrs @ 95.00/hr	457.00
Subtotal	10201.45
Tax 5.5%	561.08
Daily Total	10762.53

Yeso Energy Morgan Federal #1

1/4/2013

Moved rig and equipment off location to Lovington yard. Moved work string to yard in Crossroads.

Rig time: 6.0 hrs @ 300.00	1800.00
Supervisor	500.00
Haul trucks to move workstring and equipment 8hrs @ 105.00	840.00
Subtotal	3140.00
Tax 5.5%	172.70
Daily Total	3312.70

Total

60,184.63

60,184.63

