



DIAMOND TESTING
P.O. Box 157
HOISINGTON, KANSAS 67544
(620) 653-7550 • (800) 542-7313

Company New Gulf Operating, LLC Lease & Well No. Zerr No. 2

Elevation 2970 EST Formation Lansing/Kansas City "I" - "K" Effective Pay -- Ft. Ticket No. 2833

Date 12-18-11 Sec. 17 Twp. 12S Range 32W County Logan State Kansas

Test Approved By Stephen Murphy Diamond Representative Roger D. Friedly

Formation Test No. 2 Interval Tested from 4,262 ft. to 4,320 ft. Total Depth 4,320 ft.

Packer Depth 4,257 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.

Packer Depth 4,262 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.

Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 4,243 ft. Recorder Number 8471 Cap. 10,000 psi

Bottom Recorder Depth (Outside) 4,317 ft. Recorder Number 11029 Cap. 5,025 psi

Below Straddle Recorder Depth ft. Recorder Number Cap. psi

Drilling Contractor Val Energy, Inc. - Rig 4 Drill Collar Length -- ft. I.D. -- in.

Mud Type Chemical Viscosity 50 Weight Pipe Length -- ft. I.D. -- in.

Weight 9.3 Water Loss 7.2 cc. Drill Pipe Length 4,229 ft. I.D. 3 1/2 in.

Chlorides 3,000 P.P.M. Test Tool Length 33 ft. Tool Size 3 1/2 - IF in.

Jars: Make Sterling Serial Number 4 Anchor Length 26' perf. w/ 32' drill pipe Size 4 1/2 - FH in.

Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.

Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2 - XH in.

Blow: 1st Open: Weak, 1/2 in., blow increasing. Off bottom of bucket in 10 mins. Fair, 2 1/2 in., blow back during shut-in.
2nd Open: Weak, 1/2 in., blow increasing. Off bottom of bucket in 12 1/2 mins. No blow back during shut-in.

Recovered 435 ft. of gas in pipe

Recovered 63 ft. of clean oil = .896490 bbls. (Gravity: 39.8 @ 60°)

Recovered 62 ft. of gas & oil cut watery mud = .882260 bbls. (Grind out: 8%-gas; 10%-oil; 34%-water; 48%-mud)

Recovered 62 ft. of gas & oil cut muddy water = .882260 bbls. (Grind out: 4%-gas; 6%-oil; 65%-water; 25%-mud)

Recovered 62 ft. of oil cut muddy water = .882260 bbls. (Grind out: 1%-oil; 95%-water; 4%-mud)

Recovered 249 ft. of TOTAL FLUID = 3.543270 bbls. Chlorides: 54,500 Ppm PH: 6.0 RW: .15 @ 58°

Remarks Tool Sample Grind Out: 4%-oil; 96%-water

Diesel in bucket.

Time Set Packer(s) 9:29 ~~P.M.~~ ^{A.M.} Time Started Off Bottom 12:14 ~~P.M.~~ ^{XXM.} Maximum Temperature 119°

Initial Hydrostatic Pressure (A) 2089 P.S.I.

Initial Flow Period Minutes 30 (B) 29 P.S.I. to (C) 83 P.S.I.

Initial Closed In Period Minutes 45 (D) 1256 P.S.I.

Final Flow Period Minutes 30 (E) 89 P.S.I. to (F) 130 P.S.I.

Final Closed In Period Minutes 60 (G) 1251 P.S.I.

Final Hydrostatic Pressure (H) 2067 P.S.I.

DIAMOND TESTING

General Information Report

General Information

Company Name NEW GULF OPERATING, LLC
Contact DANNY BIRDWELL
Well Name ZERR #2
Unique Well ID DST #2 LKC 'I,J,K," 4,262' - 4,320'
Surface Location SEC. 17-12S-32W LOGAN CO. KS
Field WILDCAT
Well Type Vertical
Test Type CONVENTIONAL DRILL-STEM TEST
Formation DST #2 LKC 'I,J,K," 4,262' - 4,320'
Well Fluid Type 01 Oil

Representative ROGER D. FRIEDLY
Well Operator NEW GULF OPERATING llc
Report Date 2011/12/18
Prepared By ROGER D. FRIEDLY
Qualified By STEVE MURPHY

Start Test Date 2011/12/18
Final Test Date 2011/12/18

Start Test Time 07:40:00
Final Test Time 14:28:00

Test Recovery:

RECOVERED: 435' GAS IN PIPE
63' CLEAN OIL 39.8 GRAVITY @ 60 deg
62' G&OCWM 8% GAS, 10% OIL, 34% WTR, 48% MUD
62' G&OCMW 4% GAS, 6% OIL, 65% WTR, 25% MUD
62' OCMW 1% OIL, 95% WTR, 4% MUD
249' TOTAL FLUID

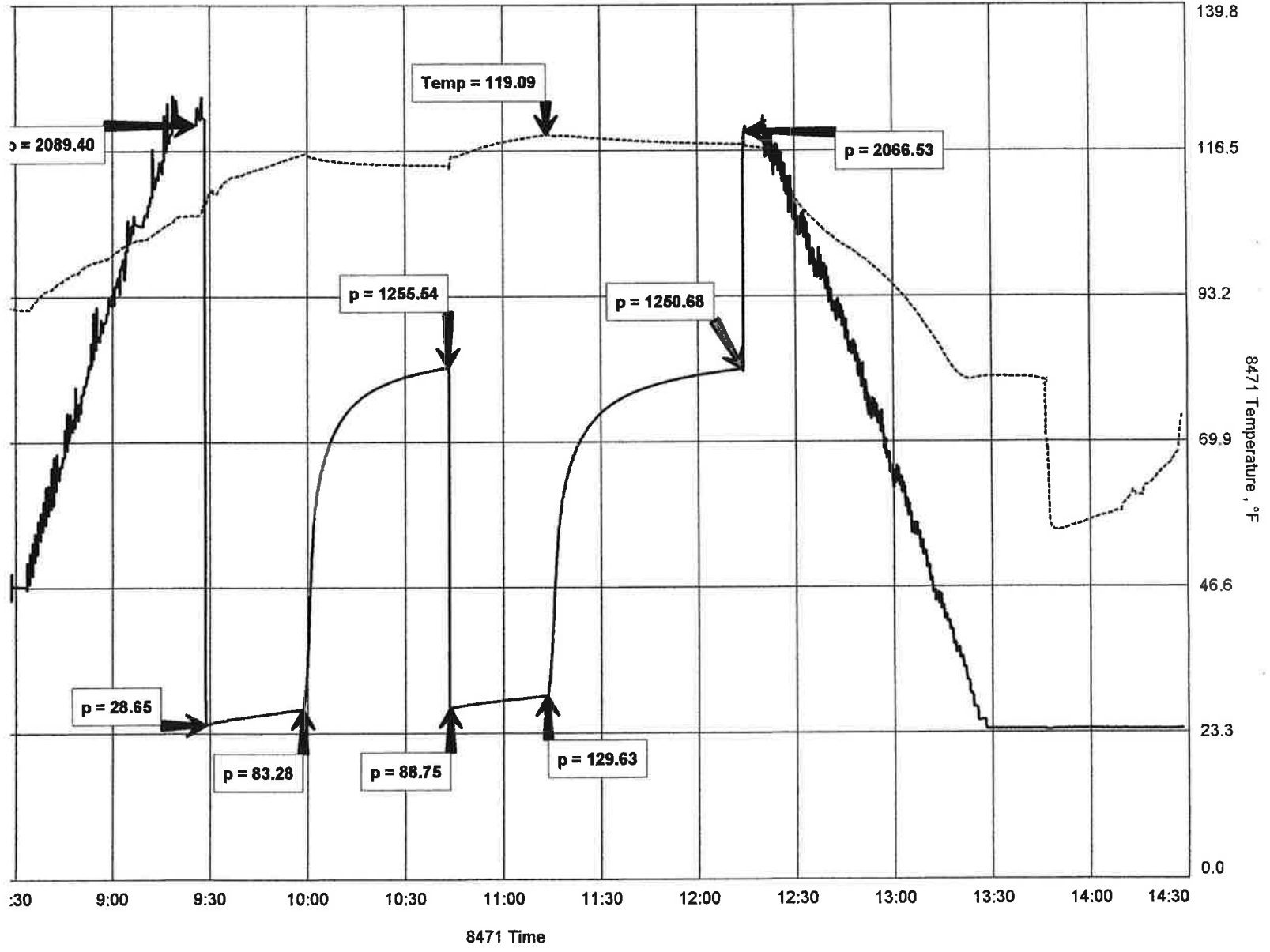
TOOL SAMPLE: 4% OIL, 96% WTR

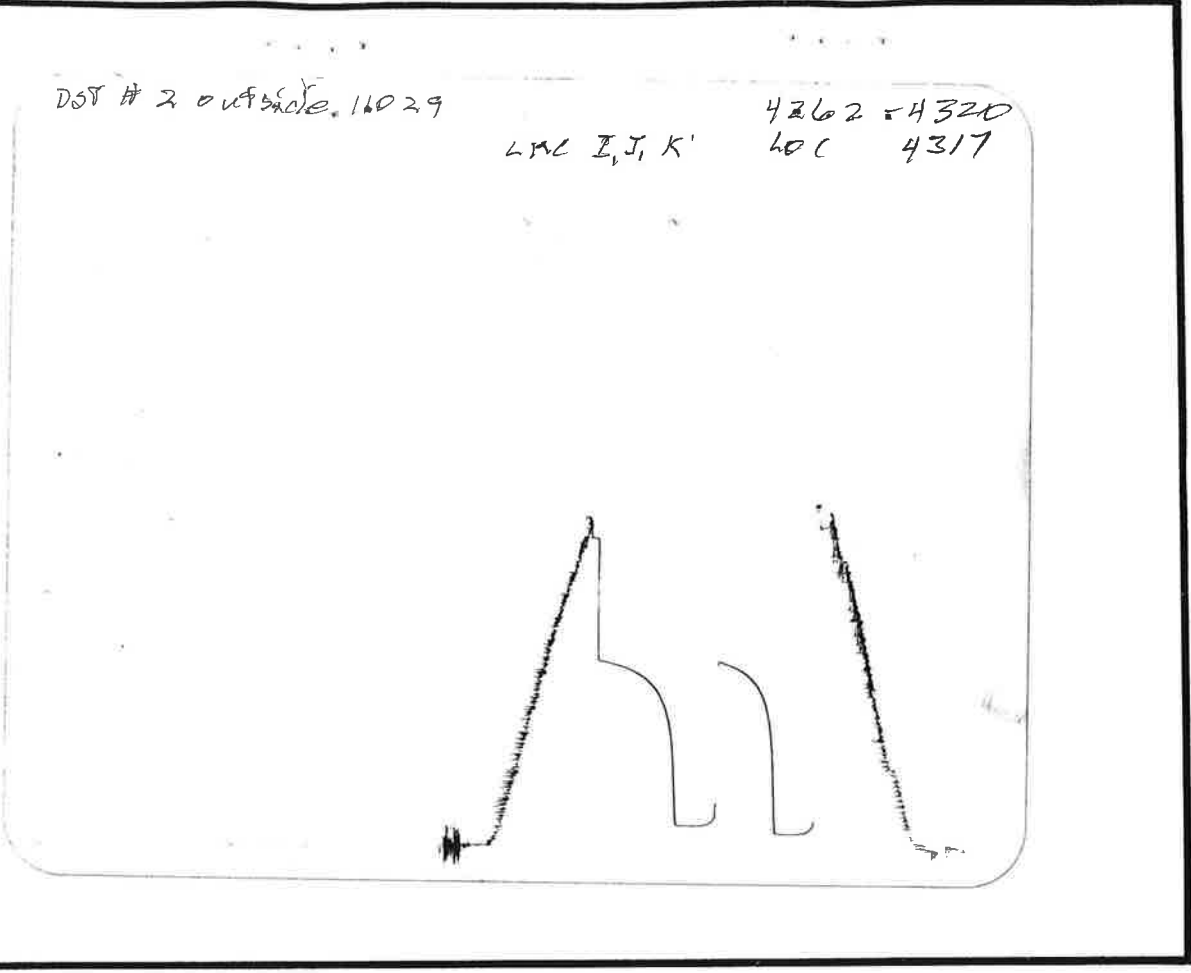
CHLORIDES: 54,500 Ppm
PH: 6.0
RW: .15 @ 58 deg.

LC
4,320'

ZERR #2
Formation: DST #2 LKC 'I,J,K,' 4,262' - 4,320'

ZERR #2





This is an actual photograph of recorder chart.

POINT	PRESSURE Elec.		
	Field Reading	Office Reading	
(A) Initial Hydrostatic Mud	2089	2089	PSI
(B) First Initial Flow Pressure.....	29	29	PSI
(C) First Final Flow Pressure	83	83	PSI
(D) Initial Closed-in Pressure	1256	1256	PSI
(E) Second Initial Flow Pressure	89	89	PSI
(F) Second Final Flow Pressure.....	130	130	PSI
(G) Final Closed-in Pressure.....	1251	1251	PSI
(H) Final Hydrostatic Mud	2067	2067	PSI