

MORNING DRILLING REPORT

SOUTHWIND DRILLING, INC.

Valhalla Exploration

RIG No. 6

Well Name: Hullman #1-14
 Location: 1175' FSL & 650' FWL
 Section: 14-22S-13W
 County: Stafford
 API: 15-185-23837-00-00

Elevation: GL 1889'
 KB 1897'
 Est. TD: 3900'

Rig No. 6 (Pusher Wes Pfaff) 620 566-7094
 Rig No. 6 (Doghouse) 620 566-7056
 Southwind Drilling Office 620 564-3800



Surface Casing: Ran 6 joints of new 23#, 8 5/8" casing, Tally @ 250', Set @ 260', used 300 sacks of Common, 2% gel, 3% cc, 1/2 celflake, cement circulated, by Basic (Ticket #04358), plug down @ 2:15 am on 10.25.13.

Production Info: Ran 95 joints of new 15.5#, 5 1/2" casing, Tally @ 3941', Set @ 3948', used 175 sacks total, 50 sacks of 60/40 Scavenger, 125 sacks of Econo Bond, cemented, by Basic (Ticket #9393), job complete @ 2:45 pm on 11.02.13.

Rotary Total Depth: 3949'
 Log Total Depth: 3948'

Geologist: Adam Kennedy

7:00 A.M. Depth: 3949' 7:00 A.M. Current Operation: TEAR DOWN

Spud Date & Time: 10/24/2013 @ 7:45 PM	10/24/13 Day 1	10/25/13 Day 2	10/26/13 Day 3	10/27/13 Day 4	10/28/13 Day 5	10/29/13 Day 6	10/30/13 Day 7	10/31/13 Day 8	11/01/13 Day 9	11/02/13 Day 10	Total
Total Depth (7:00am)	0	260	1323	2425	3255	3600	3802	3808	3824	3949	
Daily Progress	260	1063	1102	830	345	202	6	16	125		3949
Ft. Per Hr.	0.00	26.00	67.85	115.48	255.29	400.00	15208.00	7616.00	899.76	#DIV/0!	49.36
Current Operation (7:00am)	Rig Up	WOC	Drilling	Drilling	Drilling	TOWB	CFS	TIWB	DST #5	LDDP	
Formation	Surface	Surface	Sand / Shale	Shale	Topeka	Lansing / KC	Kansas City	Arbuckle	Arbuckle	Arbuckle	
Fuel Used	132.17	226.75	438.13	430.68	409.19	273.97	179.85	228.16	137.42	136.95	2593.25
Survey (degree & depth)	3/4" @ 260'				3/4" @ 3600'				1" @ 3949'		

Mud Cost	\$0.00	\$0.00	\$5,406.00	\$0.00	\$887.60	\$1,666.45	\$53.85	-\$121.90	\$780.10	\$0.00	\$8,672.10
Weight (# / Gal)		9.1	9.8	8.9	9.1	9.3	9.3	9.1	9.0		
Vis (Funnel)		28	28	51	59	53	60	75	53		
Water Loss (cc)					8.0	8.0	8.8	11.6	20.4		

Bit #1											
Bit Make / Type	JZ Tooth ReTip										
Bit Size	12 1/4										
Bit Hours	2.75										2.75
Bit #2											
Bit Make / Type	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	JZ HA20Q	
Bit Size	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	
Bit Hours	10.00	19.50	21.00	12.75	9.00	0.25	0.50	4.25			77.25
Bit Cumulative Hours	2.75	10.00	19.50	21.00	12.75	9.00	0.25	0.50	4.25	0.00	80.00
Weight on Bit (WOB)	20,000	30,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	
RPM	100	90	80	80	80	80	75	75	80		
Pump Pressure	400	800	900	900	900	950	950	900	950		
Drilling (Rotating) Hours	2.75	10.00	19.50	21.00	12.75	9.00	0.25	0.50	4.25	0.00	80.00

Daywork Hrs. (Operator's time)											
Rat Hole (>.75 Hrs)											0.00
Wait on Cement	4.75	3.25									8.00
Trip		0.25			1.50	6.75	11.50	11.25	7.00		38.25
Circulate					8.75	2.50	4.00	5.50	3.00	1.50	25.25
Tool						1.00	1.50	1.00	0.25		3.75
Testing						4.00	6.50	4.50	2.00		17.00
Clean Floor after DST							0.25	1.00	0.25		1.50
Wait on Storm (weather)											0.00
Logging									5.25		5.25
LDDP / LDDC / Tally Casing									1.25	2.25	3.50
Run Casing / Circ / Cement	2.00									3.00	5.00
Plug Well											0.00
Set Slips										0.75	0.75
Wait on Casing Crew											0.00
Wait on Orders											0.00
Nipple Down/Jet Cellar										0.75	0.75
Billable Hours	6.75	3.50	0.00	0.00	10.25	14.25	23.75	23.25	19.00	8.25	109.00

Non-Billable Hours (Southwind's time)											
Rig Up / Tear Down	11.25									7.25	18.50
Drill Mouse Hole											0.00
Drill Rat Hole (<.75 hrs)	0.25										0.25
Drill Plug		0.50									0.50
Circulate / Trip (Surface)	0.75										0.75
Rig Repair	0.75	6.50	1.00					0.25			8.50
Wait on Parts											0.00
Connections	1.00	3.25	2.75	2.00	0.75	0.75			0.25		10.75
Jet/Displace	0.25	0.25	0.75	1.00					0.25		2.50
Surveys	0.25				0.25				0.25		0.75
Rig Check											0.00
Lost Circulation (< 2 hrs)											0.00
Lay Down Kelly / MH & RH										0.50	0.50
Mix Mud											0.00
Hole in Pipe											0.00
Non-Billable Hrs.	14.50	10.50	4.50	3.00	1.00	0.75	0.00	0.25	0.75	7.75	43.00
	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	16.00	

Footage Cost	\$ 3,770.00	\$ 15,413.50	\$ 15,979.00	\$ 12,035.00	\$ 5,002.50	\$ 2,929.00	\$ 87.00	\$ 232.00	\$ 1,812.50	\$ -	\$ 57,260.50
Daywork Cost	\$ 2,362.50	\$ 1,225.00	\$ -	\$ -	\$ 3,587.50	\$ 4,987.50	\$ 8,312.50	\$ 8,137.50	\$ 6,650.00	\$ 2,887.50	\$ 38,150.00
Combined Est. Cost*	\$ 6,132.50	\$ 16,638.50	\$ 15,979.00	\$ 12,035.00	\$ 8,590.00	\$ 7,916.50	\$ 8,399.50	\$ 8,369.50	\$ 8,462.50	\$ 2,887.50	\$ 95,410.50

*Please note that this is estimated footage & daywork cost only. Additional charges will apply on invoice (fuel surcharge, water transfer pump, etc)

DST #1 Info - Footage Interval: 3534' - 3600' Recovery: 71' Muddy Water	DST #2 Info - Footage Interval: 3730' - 3802' Recovery: 366' Very Light Oil Spotted Mud 427' Very Light Oil Spotted Water
DST #3 Info - Footage Interval: 3800' - 3808' "Arbuckle" Recovery: 366' Oil 30' Oil Cut Mud	DST #4 Info - Footage Interval: 3808' - 3816' "Arbuckle" Recovery: 60' Clean Oil 60' Oil Cut Mud
DST #5 Info - Footage Interval: 3816' - 3824' "Arbuckle" Recovery: 90' Clean Oil 116' Oil Cut Mud 7' Water	DST #6 Info - Footage Interval: Recovery:

Anhydrite @ 741' - 765'

Displaced @