

MORNING DRILLING REPORT

SOUTHWIND DRILLING, INC.

For: H&D Exploration

RIG No. 1

Well Name: Nokes #1
 Location: 2120' FSL & 1716' FWL
 Section: 20-19S-15W
 County: Barton
 API: 15-009-26119-00-00

Elevation: GL 1940'
 KB 1959'
 Est. TD: 3400'
 Conductor Pipe: N/A

Rig No. 1 (Pusher Larry Beavers) 625-617-3476
 Rig No. 1 (Doghouses) 626-794-2076
 Southwind Drilling Office 620 564-3800



Surface Casing: Ran 22 joints of new 23#, 8 5/8" casing, Tally @ 933', Set @ 945', used 375 sacks of 60/40, 3% cc, 2% gel, cement circulated, by Quality (Ticket #1612), plug down @ 5:45 am on 08.29.15.

Plugging Info: Plugged well with 265 sacks of 60/40 Poz, 4% gel, 1/4# Flo-seal, 1st plug @ 3600' w/ 50 sacks, 2nd plug @ 1000' w/ 75 sacks, 3rd plug @ 465' w/ 85 sacks, 4th plug @ 40' w/ 10 sacks, 30 sacks for Rat hole, 15 sacks for Mouse hole, cemented, by Quality (Ticket #1618), Job complete @ 12:00 am on 09.04.15.

Rotary Total Depth: 3725'

Log Total Depth: 3723'

Geologist: Jim Musgrove

7:00 A.M. Depth: 3725'

7:00 A.M. Current Operation: TEAR DOWN

Spud Date & Time:	08/27/15	08/28/15	08/29/15	08/30/15	08/31/15	09/01/15	09/02/15	09/03/15	09/04/15	Total
08/27/2015 @ 4:30 PM	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	Day 9	
Total Depth (7:00am)	0	132	946	1910	2770	3355	3545	3695	3725	3725
Daily Progress	132	814	964	860	585	190	150	30		50.68
Fl. Per Hr.	132.00	88.00	85.69	47.12	31.20	25.33	22.22	40.00	#DIV/0!	
Current Operation (7:00am)	Rig Up	Drilling	WOC	Drilling	Drilling	Drilling	Drilling	Drilling	Tear Down	
Formation	Surface	Sand / Clay	Redbed / Shale	Redbed / Shale	Lime / Shale	Lime / Shale	Lime / Shale	Lime / Shale		
Fuel Used (39 Gall/Inch)	78.00	273.00	312.00	507.00	435.60	316.80	316.80	118.80		2358.00
Survey (degree & depth)		1' @ 946'				1 1/4' @ 3470'		1' @ 3725'		
Mud Cost	\$0.00	\$827.80	\$0.00	\$2,979.62	\$2,414.46	\$216.62	\$279.00	\$443.41		\$7,161.11
Weight (# / Gal)		10.7			8.2	8.3	9.5	9.4		
Vis (Funnel)		45			60	50	56	55		
Water Loss (cc)					8.6	9.2	10.4	10.4		
Bit #1										
Bit Make / Type	PDC	PDC								
Bit Size	12 1/4	12 1/4								
Bit Hours	1.00	7.00								6.00
Bit #2										
Bit Make / Type		JZ								
Bit Size		12 1/4								
Bit Hours		2.25								2.25
Bit #3										
Bit Make / Type			Reed R24A	Reed R24A	Reed R24A	Reed R24A	Reed R24A	Reed R24A		
Bit Size			7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8		
Bit Hours			11.25	18.25	18.75	7.50	6.75	0.75		63.25
Bit Cumulative Hours	1.00	9.25	11.25	18.25	18.75	7.50	6.75	0.75	0.00	73.50
Weight on Bit (WOB)		20,000	20,000	32,000	32,000	32,000	32,000	32,000		
RPM		100	80	80	80	80	80	80		
Pump Pressure		300	750	800	900	900	925	925		
Drilling (Rotating) Hours	1.00	9.25	11.25	18.25	18.75	7.50	6.75	0.75	0.00	73.50
Daywork Hrs. (Operator's time)										
Rat Hole (>.75 Hrs)										0.00
Wait on Cement			2.00							2.00
Weather										0.00
Short Trip						1.75				1.75
Trip						5.00	5.25	2.75		13.00
Circulate					1.50	5.50	5.75	2.00		14.75
Tool						1.00	1.00			2.00
Yesling						2.00	2.75			4.75
Clean Floor after DST										0.00
Logging								4.00		4.00
Nipple Down / Jet Cellar										0.00
LDDP / LDDC / Plug well								5.50		5.50
Run Casing / Circ / Cement		2.50								2.50
Set Slips										0.00
Wait On Orders								0.75		0.75
Billable Hours	0.00	2.50	2.00	0.00	1.50	15.25	14.75	15.00	0.00	51.00
Non-Billable Hours (Southwind's time)										
Rig Up / Tear Down	21.00							7.00	2.00	30.00
Wait on Cement (NB)		1.25	6.75							8.00
Drill Rat Hole (<.75 hrs)	0.50									0.50
Drill Plug			0.75							0.75
Circulate / Trip (Surface)		0.75								0.75
Rig Repair	1.25	1.25		0.75	0.25		1.50			5.00
Connections	0.25	2.50	2.25	2.00	1.25	0.75	0.50			9.50
Jet/Displace		2.25	0.75	1.00	1.75		0.25			6.00
Surveys		0.25				0.25		0.25		0.75
Rig Check		0.25	0.25	0.75	0.50	0.25	0.25	0.25		2.50
Trip Time (plugged bit)		1.25								1.25
Bit Trip		2.50								2.50
Trip Time for repairs				1.25						1.25
Lost Circulation (< 2 hrs)										0.00
Lay Down Kelly / MH & RH							0.75			0.75
Non-Billable Hrs.	23.00	12.25	10.75	5.75	3.75	1.25	2.50	8.25	2.00	69.50
Footage Cost	\$ 1,584.00	\$ 9,768.00	\$ 11,668.00	\$ 10,320.00	\$ 7,020.00	\$ 2,260.00	\$ 1,800.00	\$ 360.00	\$ -	\$ 44,700.00
Daywork Cost	\$ -	\$ 750.00	\$ 600.00	\$ -	\$ 450.00	\$ 4,575.00	\$ 4,425.00	\$ 4,500.00	\$ -	\$ 15,300.00
Combined Est. Cost*	\$ 1,584.00	\$ 10,518.00	\$ 12,168.00	\$ 10,320.00	\$ 7,470.00	\$ 6,855.00	\$ 6,225.00	\$ 4,860.00	\$ -	\$ 60,000.00

*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: 3430' - 3470'
 Recovery: 20' Mud

DST #2 Info -

Footage Interval: 3620' - 3658'
 Recovery: 600' Muddy Water

Anhydrite @ 940' - 956'

Displaced @ 2900'

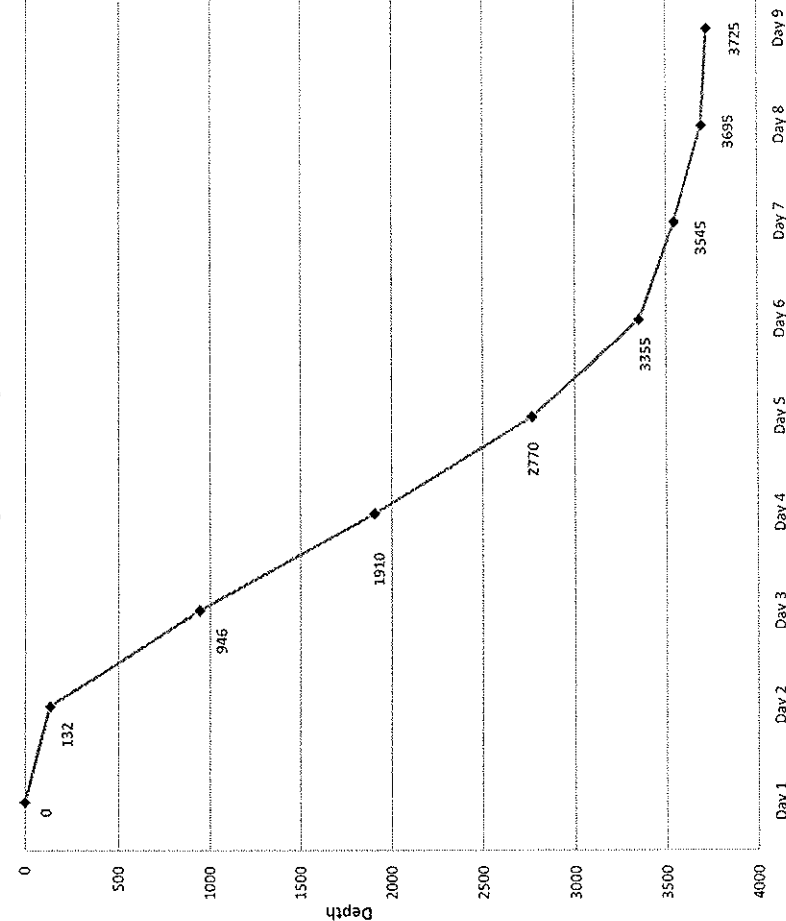


Job Summary Graphical Report

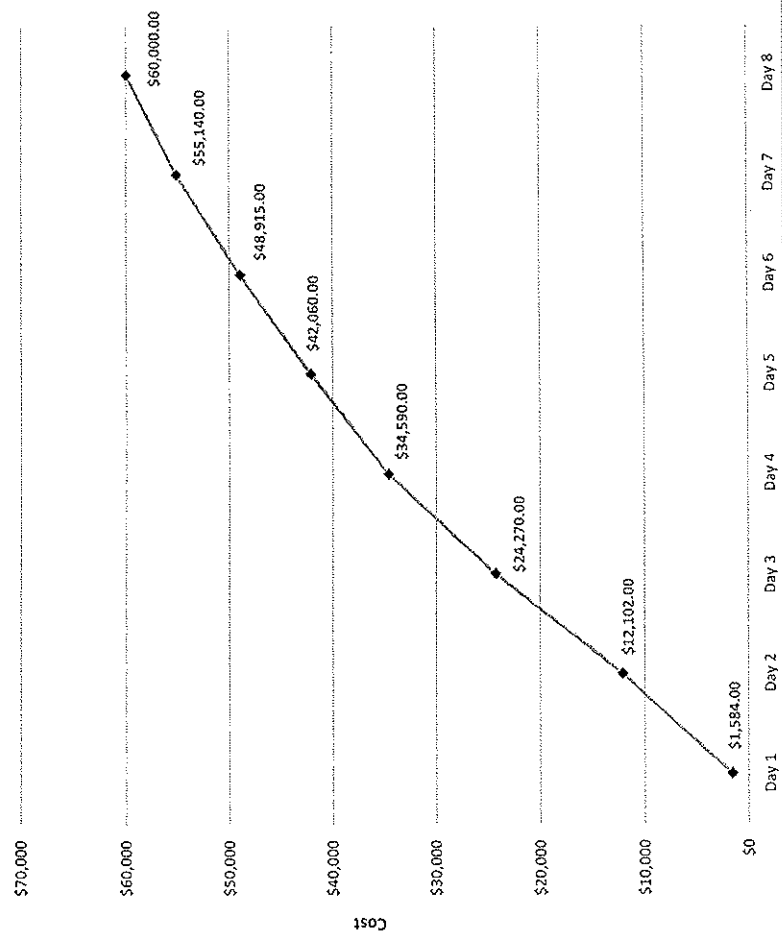
Southwind Rig No. 1

Nokes #1

Days vs Depth



Days vs Cost



QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1612

Date	8-29-15	Sec.	20	Twp.	19	Range	15	County	Barton	State	Ks	On Location		Finish	5:45 Ar
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Lease Nokes Location Albert Ks - 55 to 10 Rd,

Well No.	1	Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.
Contractor	Southwind	Type Job	Surface
Hole Size	12 1/4"	T.D.	946'
Csg.	8 5/8"	Depth	946'
Tbg. Size		Depth	
Tool		Depth	
Cement Left in Csg.	45'	Shoe Joint	45'
Meas Line		Displace	57 1/4 BLS
Charge To	H-D Exploration		
Street			
City	State		
The above was done to satisfaction and supervision of owner agent or contractor.			
Cement Amount Ordered		375 60/40 3 1/2 cc 2 1/2 gal	

EQUIPMENT			
Pumptrk	18	No.	Cementier
			Helper
Bulktrk	4	No.	Driver
			Driver
Bulktrk	p.u.	No.	Driver
			Driver
Common	225		
Poz. Mix	150		
Gel.	5		
Calcium	14		

JOB SERVICES & REMARKS	
Remarks:	Cement did Circulate
Rat Hole	
Mouse Hole	
Centralizers	
Baskets	
D/V or Port Collar	
Handling	394
Mileage	

FLOAT EQUIPMENT	
Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	
Rubber plug	
Baffle plate	
Pumptrk Charge	Long Surface
Mileage	15

Signature	<i>K.L. Thompson</i>	Tax	
		Discount	
		Total Charge	

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1618

Date	9-3-15	Sec.	20	Twp.	19	Range	15	County	Barton	State	KS	On Location		Finish	12:05 AM				
Nokes								Location								Albert, KS - 55 to 10 Rd, 1/2 E, N/S			
Lease								Well No.	1		Owner								
Contractor	Southwind							1		To Quality Oilwell Cementing, Inc.					You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.				
Type Job	Plug									Charge To					H-D Exploration				
Hole Size	7 7/8"							T.D.	3725'										
Csg.	4 1/2" D.P.							Depth	3600'		Street								
Tbg. Size								Depth			City					State			
Tool								Depth			The above was done to satisfaction and supervision of owner agent or contractor.								
Cement Left in Csg.								Shoe Joint			Cement Amount Ordered					265 60/40 4 1/2 Gal 1/4# Fl Seal			
Meas Line								Displace	H2O/mud										
EQUIPMENT																			
Pumptrk	18	No.	Cementer		Billy						Common		159						
Bulktrk	19	No.	Driver		Denny						Poz. Mix		106						
Bulktrk	P.U.	No.	Driver		Rock						Gel.		10						
JOB SERVICES & REMARKS																			
Remarks:	3600' - 50 SX											Salt							
Rat Hole	1000' - 75 SX											Flowseal		66 #					
Mouse Hole	465' - 85 SX											Kol-Seal							
Centralizers	40' - 10 SX w/plug											Mud CLR 48							
Baskets	Ratholes - 30 SX											CFL-117 or CD110 CAF 38							
D/V or Port Collar	Mousehole - 15 SX											Sand							
Cement did Circulate																			
Handling 275																			
Mileage																			
FLOAT EQUIPMENT																			
Guide Shoe																			
Centralizer																			
Baskets																			
AFU Inserts																			
Float Shoe																			
Latch Down																			
1 - Dry hole plug																			
Pumptrk Charge plug																			
Mileage 15																			
Tax																			
Discount																			
Total Charge																			
Signature																			



Southwind Drilling, Inc.
Plugging Orders & Reports

API
15-006 26119
AW 44 940
966
AR Butler 3625

Lease: NOKes #1

Plugging Received from KCC Representative:

Name: RAY Humble Date: Sept 2 Time: 4:45
25ft Above R

1st plug @	<u>3600</u> feet,	<u>50</u> sacks	Stands	<u>58</u>
2nd plug @	<u>11000</u> feet,	<u>75</u> sacks	Stands	<u>16 - 1 single</u>
3rd plug @	<u>465</u> feet,	<u>95</u> sacks	Stands	<u>85 + 1</u>
4th plug @	<u>40</u> feet,	<u>10</u> sacks	Stands	<u>50</u>
5th plug @	_____ feet,	_____ sacks	Stands	_____

85% wire plug

Mousehole: 25 sacks ms

Rathole: 30 sacks

Total Cement Used: 265 sacks

Type of cement: 60/40 P02 4% gel 1/2 Road Per. SKS

Plug Down @ 12 AM, QUALITY CEMENTING, TK-1618
8-4-15

Call KCC When Completed:

Name: JEN, Ken Date: 8-4-15 Time: 1000 AM