

Mud-Co / Service Mud Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **1**

Daily Drilling Mud Report

Date: **05/01/09** Depth: **0**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Co. Rep.	Report for Mr. Rick Smith	Section 14
Well Name & No. Meade #1	County Edwards	Twp 26S
	State Kansas	Range 18W

Operation RURT	Casing 8 5/8 in. at 0	Mud Volume (BBL) 0	Liner Size 6	Stroke 15	Circulation Data 177
Present Activity RURT	Intermediate in. at	Total Circulating Vol. 0	Est. Hole/DC capacities 2.189	Opposite Drill Pipe 321	Pump Pressure EWCO
Bit Size (in.) 7 7/8	Drill pipe sz 4 1/2	Volume in Storage 0	BBH Strk 0.138	Bottoms Up (min.) 1	Pump Make 15W600
Drill pipe sz 4 1/2	Drilling mud type Gel/Lime	BBH/Min. 7.2	GAL/Min. 301	System Total (Min) 0	

Sample from Flowline or Pit	Daily Mud Cost 683.50	Cumulative Mud Cost 683.50
Flowline Temperature		

Time Sample Taken 10:35 AM	Depth (Ft.) 0	Weight (lb/gal.)	Mud Gradient (psi/ft.)	Funnel Viscosity (Sec/qt. API)	Plastic Viscosity cp	Yield Point (lb/100 sq. ft.)	Gel Strength 10 sec/10 min.	pH	Filtrate API (ml/30 min.)	Cake Thickness 32nd	Alkalinity, Mud (Pm)	Alkalinity, Filtrate (Pf/Mf)	Chloride Content, ppm	Calcium, ppm	Sand Content (% by Vol)	Solids Content (% by Vol.)	Oil Content (% by Vol.)	Water Content (% by Vol.)	LCM, lbs/bbl.	Reynold's #DP	Reynold's # DC	ECD lb/gal
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Make up water	100	80	#DIV/0!	#DIV/0!	#DIV/0!
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DRILLING MUD INVENTORY

Products:	Delivery	Transfer	On Hand	Used	Cost
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Premium Gel	910	840	70	577.50
Lime	8	6	2	22.00
Soda Ash	28	28		
Caustic Soda	24	24		
Lignite	20	20		
C/S Hulls	150	144	6	84.00
Drill Pak	12	12		
Desco	2	2		
PolyPlus	2	2		
Florigel				
Xcide				
Sapp				
Barite				
MtGuard				

- Suggest for surface hole:
1. Spud with 36-40 vis of gel and lime slurry.
 2. Control weight <10.0 lb/gal with water at flowditch
 3. Add 4-6 sxs hulls initially and then as needed

Drill out from under surface with water and jet often.

Add premix as needed for hole cleaning:

- 120 bbls fresh water
- 1 sk Soda Ash
- 60 sk Premium Gel

Have frac tank and premix full and ready to displace the system at 3600' or per geo's orders.

- 120 bbls fresh water
- 1 sk Soda Ash
- 1 sx Caustic Soda
- 50 sx Premium Gel
- 1/3 sx Pack
- 1 sx lignite
- 3 sxs Hulls

Pump 40-60 bbls fresh water ahead of displacement mud

- After displacing:
1. Maintain viscosity 44-48 sec/qt with gel mixed with pit mud
 2. Control mud weight 9.2-9.5 with water at flowline
 3. Add LCM as needed

Thank You

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **2**

Daily Drilling Mud Report

Date: **05/03/09** Depth: **2558**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation		Casing		Mud Volume (BBL)		Circulation Data			
Present Activity				Hole	Pits	Liner Size	Stroke	Opposite Drill Pipe	Pump Pressure
Repairs		8 5/8	in. at	315	269	400	6	15	177
Bit Size (in.)	No	Intermediate		Total Circulating Vol.		Est. Hole/DS capacities		Opposite Drill Collars	Pump Make
7 7/8	2	in. at		669		10.5 2.603		321	EWCO
Drill pipe sz	Type	Production / Liner		Volume in Storage		BBV Strk	Strk / Min.	Bottoms Up (Min.)	Pump Model
4 1/2	XH	in. at		480?		0.138	52	33	15W600
Drill Collar size	Drilling mud type		BBL / Min.		GAL / Min.	System Total (Min)			
6 1/4	529 Premix		7.2		301	93			

Sample from Flowline _x_ or Pit	Daily Mud Cost	Cumulative Mud Cost
Flowline Temperature	3,919.70	4,603.20

		MUD PROPERTIES SPECIFICATIONS			
		Mud Wt.(lbs/gal.)	Viscosity	Filtrate	LCM
Time Sample Taken		9.6-10.1	29-32	No Cont	As needed

Depth (Ft.)	2,558	Suggest.... Suggest for samples prior to displacing a. Maintain 30-35 vis with premix 120 bbls water } Add each tank over 1-1 1/2 hours 55-65 sx gel } Add LCM as needed 1 sx Soda Ash } d. Run moderate stream of water to control weight e. If a shallow DST is run: 1. Circulate hole clean before and after short trip if one is made 2. Spot this premix on bottom: 120 bbls water 1 caustic } a. Close butterfly valve 1 Soda Ash 1/2 sx lignite } b. Pump premix dry 1/2 sx pac Gel for 50-55 vis } c. Open butterfly valve, pump for 5 minutes d. Come out of hole for DST			
Weight (lb/gal.)	9.7				
Mud Gradient (psi/ft.)	0.504				
Funnel Viscosity (Sec/qt. API)	31				
Plastic Viscosity cp	4				
Yield Point (lb/100 sq.ft.)	6				
Gel Strength 10 sec/10 min.	2/3				
pH	7.0				
Filtrate API (ml/30 min.)	N/C				
Cake Thickness 32nd	-				
Alkalinity, Mud (Pm)	0				
Alkalinity, Filtrate (Pf/Mf)	0/-				
Chloride Content, ppm	101K				
Calcium, ppm	Hvy				
Sand Content (% by Vol)	Tr				
Solids Content (% by Vol.)	4.0				
Oil Content (% by Vol.)	0.0				
Water Content (% by Vol.)	96.0				
LCM, lbs/bbl.	1				
Reynold's #DP	4,344				
Reynold's # DC	7,544				
ECD lb/gal	10.25				

DRILLING MUD INVENTORY				
Products:	Prior Day	Delivery	On Hand	Used
Premium Gel	840		530	310
Lime	6		5	1
Soda Ash	28		24	4
Caustic Soda	24		20	4
Lignite	20		16	4
C/S Hulls	144		105	39
Drill Pak	12		11	1
Desco	2		2	
PolyPlus	2		2	
Florigel				
Xcide				
Sapp				
Barite				
MitGuard				

Have frac tank and premix full and ready to displace the system at 3300' or per geo's orders.

120 bbls fresh water

1 sk Soda Ash

1 sx Caustic Soda

50 sx Premium Gel

1/3 sx Pack

1 sx lignite

3 sxs Hulls

Pump 40-60 bbls fresh water ahead of displacement mud

After displacing:

1. Maintain viscosity 44-48 sec/qt with gel mixed with pit mud

2. Control mud weight 9.2-9.5 with water at flowline

3. Add LCM as needed

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report **3**

Daily Drilling Mud Report

Date: **05/04/09** Depth: **3116**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation	Casing	Mud Volume (BBL)	Circulation Data
Present Activity Drilling	8 5/8 in. at 315	Hole 296 Pits 400	Liner Size 6 Stroke 15
Bit Size (in.) 7 7/8	No 2	Total Circulating Vol. 696	Est. Hole/DC capacities 9.5 2.603
Drill pipe sz 4 1/2	Type XH	Volume in Storage 600	BBH/ Strk 0.138 Strk / Min. 60
Drill Collar size 6 1/4	Drilling mud type Premix	BBL/Min. 8.3	GAL/Min. 347

Sample from Flowline x_ or Pit	Daily Mud Cost 2,168.50	Cumulative Mud Cost 6,771.70
Flowline Temperature	Mud Properties	

Time Sample Taken	11:50 AM	MUD PROPERTIES SPECIFICATIONS			
Depth (Ft.)	3,116	Mud Wt. (lbs/gal.) 9.6-10.1	Viscosity 32-35	Filtrate No Cont	LCM As needed

Weight (lb/gal.)	9.8
Mud Gradient (psi/ft.)	0.510
Funnel Viscosity (Sec/qt. API)	30
Plastic Viscosity cp	5
Yield Point (lb/100 sq.ft.)	3
Gel Strength 10 sec/10 min.	37
pH	7.0
Filtrate API (ml/30 min.)	N/C
Cake Thickness 32nd	-
Alkalinity, Mud (Pm)	0
Alkalinity, Filtrate (Pf/Mf)	0/-
Chloride Content, ppm	45,000
Calcium, ppm	Hvy
Sand Content (% by Vol)	Tr
Solids Content (% by Vol.)	8.0
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	92.0
LCM, lbs/bbl.	2
Reynold's #DP	8,934
Reynold's # DC	11,656
ECD lb/gal	10.46

DRILLING MUD INVENTORY				
Products:	Prior Day	Delivery	On Hand	Used
Premium Gel	530		370	160
Lime	5		5	
Soda Ash	24		22	2
Caustic Soda	20		20	
Lignite	16		16	
C/S Hulls	105		48	57
Drill Pak	11		11	
Desco	2		2	
PolyPlus	2		2	
Florigel				
Xcide				
Sapp				
Barite				
MilGuard				

Suggest....

- Suggest for samples prior to displacing
- Maintain 32-35 vis with premix
- 120 bbls water } Add each tank over 1-1 1/2 hours
55-65 sx gel } Maintain 2-3 lb/bbl LCM
1 sx Soda Ash }
- Run moderate stream of water to control weight
 - If a shallow DST is run:
 - Circulate hole clean before and after short trip if one is made
 - Spot this premix on bottom:
- 120 bbls water 1 caustic }
1 Soda Ash 1/2 sx lignite }
1/2 sx pac Gel for 50-55 vis }
- Close butterfly valve
 - Pump premix dry
 - Open butterfly valve, pump for 5 minutes
 - Come out of hole for DST

Have frac tank and premix full and ready to displace the system at 3300' or per geo's orders.

- 120 bbls fresh water
1 sk Soda Ash
1 sx Caustic Soda
50 sx Premium Gel
1/3 sx Pack
1 sx lignite
3 sxs Hulls

Since hole has taken fluid, do not pump fresh water ahead of frac mud

After displacing:

- Maintain viscosity 44-48 sec/qt with gel mixed with pit mud
- Control mud weight 9.2-9.5 with water at flowline
- Maintain 2-3 lb/bbl LCM
- Begin tourty treatment of 1 sx caustic, 1/2 sx lignite, 8 hours after displacement

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, KS. 67202

Report: **4**

Daily Drilling Mud Report

Date: **05/05/09** Depth: **3603**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation	Casing	Mud Volume (BBL)	Circulation Data
Present Activity Drilling	8 5/8 in. at 315	Hole 306 Pits 400	Liner Size 6 Stroke 15 Opposite Drill Pipe 170 Pump Pressure 1000
Bit Size (in.) 7 7/8 No 2	Intermediate in. at	Total Circulating Vol. 706	Est. Hole/DS capacities 8.5 2.603 Opposite Drill Collars 309 Pump Make EWCO
Drill pipe sz 4 1/2 Type XH	Production / Liner in. at	Volume in Storage Volume	BBV Strk 0.138 Strk / Min. 50 Bottoms Up (Min.) 38 Pump Model 15W600
Drill Collar size 6 1/4 529	Drilling mud type Chemical	BBL/Min. 6.9 GAL/Min. 289	System Total (Min) 103 Critical GPM DC/DP 258 347

Sample from Flowline <u> </u> x or Pit <u> </u>	Daily Mud Cost 1,878.90	Cumulative Mud Cost 8,650.60
Flowline Temperature <u> </u>	Mud Properties	

Time Sample Taken	8:05 AM	MUD PROPERTIES SPECIFICATIONS			
Depth (Ft.)	3,603	Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
Weight (lb/gal.)	8.9	9.0-9.4	46-52, 48-55 DST	8-12.0	2-3 lb/bbl

Weight (lb/gal.)	2.85		
Mud Gradient (psi/ft.)	0.463		
Funnel Viscosity (Sec/qt. API)	47		
Plastic Viscosity cp	14		
Yield Point (lb/100 sq.ft.)	14		
Gel Strength 10 sec/10 min.	12/53		
pH	9.5		
Filtrate API (ml/30 min.)	9.6		
Cake Thickness 32nd	1		
Alkalinity, Mud (Pm)	-		
Alkalinity, Filtrate (Pf/Mf)	.1/-		
Chloride Content, ppm	5,900		
Calcium, ppm	40		
Sand Content (% by Vol)	TR		
Solids Content (% by Vol.)	3.9		
Oil Content (% by Vol.)	0.0		
Water Content (% by Vol.)	96.1		
LCM, lbs/bbl.	3		
Reynold's #DP	1,548		
Reynold's # DC	2,356		
ECD lb/gal	9.33		

Suggest:

Water - small stream while drilling

Suggest at 3900':

50 bbls water/50 bbls pit mud

3 caustic

2 Soda Ash

1 Lignite

1 Full sx of Pac

Add Gel as needed

Hulls as needed

Use 100 bbls water, if mud wt. is 9.4 or greater

Jet hole and add over 1 1/2 hours

After above treatment, maintain vis with this premix:

50 bbls water/50 bbls pit mud

1 caustic

1 Soda Ash

1 Lignite

1/2 sx of Pac

Use 100 bbls water if mud wt. 9.4 or greater

Add one tank after each DST

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	370	420	674	116	957.00
Lime	5		5		
Soda Ash	22	10	31	1	25.25
Caustic Soda	20	10	27	3	196.65
Lignite	16	5	18	3	84.00
C/S Hulls	48	250	254	44	616.00
Drill Pak	11	5	16		
Desco	2		2		
PolyPlus	2		2		
Florigel					
Xcide					
Sapp					
Barite					
MitGuard					

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **5**

Daily Drilling Mud Report

Date: **05/06/09** Depth: **4032**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation	Casing	Mud Volume (BBL)	Circulation Data
Present Activity CH after repairs	8 5/8 in. at 315	343 Hole 400 Pits	Liner Size 6 Stroke 15 Opposite Drill Pipe 177 Pump Pressure -
Bit Size (in.) 7 7/8 No 2	Intermediate in. at	Total Circulating Vol. 743	Est. Hole/DS capacities 8.5 2.603 Opposite Drill Collars 321 Pump Make EWCO
Drill pipe sz 4 1/2 Type XH	Production / Liner in. at	Volume in Storage 0	BBW Strk 0.138 Strk / Min. 52 Bottoms Up (Min.) 41 Pump Model 15W600
Drill Collar size 6 1/4 529	Drilling mud type Chemical	BBL/Min. 7.2 GAL/Min. 301	System Total (Min.) 104 Critical GPM DC/DP 336 527

Sample from Flowline <u>x</u> or Pit	Daily Mud Cost 1,476.60	Cumulative Mud Cost 10,127.20
Flowline Temperature	Mud Properties	

Time Sample Taken	10:30 AM	MUD PROPERTIES SPECIFICATIONS
Depth (Ft.)	4,032	Mud Wt. (lbs/gal.) 9.0-9.4 Viscosity 48-55 Filtrate 8-12.0 LCM 4-6 lb/bbl

Weight (lb/gal.)	9.1
Mud Gradient (psi/ft.)	0.473
Funnel Viscosity (Sec/qt. API)	68
Plastic Viscosity cp	11
Yield Point (lb/100 sq.ft.)	31
Gel Strength 10 sec/10 min.	35/78
pH	7.5
Filtrate API (ml/30 min.)	15.6
Cake Thickness 32nd	3
Alkalinity, Mud (Pm)	0
Alkalinity, Filtrate (Pf/Mf)	0/-
Chloride Content, ppm	8,200
Calcium, ppm	200
Sand Content (% by Vol)	TR
Solids Content (% by Vol.)	5.3
Oil Content (% by Vol.)	0.0
Water Content (% by Vol.)	94.7
LCM, lbs/bbl.	4
Reynold's #DP	786
Reynold's # DC	1,667
ECD lb/gal	9.83

DRILLING MUD INVENTORY				
Products:	Prior Day	Delivery	On Hand	Used Cost
Premium Gel	674		630	44 363.00
Lime	5		5	
Soda Ash	31		29	2 50.50
Caustic Soda	27		25	2 131.10
Lignite	18		16	2 56.00
C/S Hulls	254		215	39 546.00
Drill Pak	16		15	1 330.00
Desco	2		2	
PolyPlus	2		2	
Flortgel				
Xcide				
Sapp				
Barite				
MilGuard				

Suggest:

Water - small stream while drilling

Suggest today

100 bbls water

4 caustic

3 Soda Ash

2 Lignite

2 Full sx of Pac

Add Gel as needed

15 sxs Hulls

Jet hole and add over 1 1/2 hours

After above treatment, maintain vis with this premix:

50 bbls water/50 bbls pit mud

2 caustic

1 Soda Ash

Use 100 bbls water if mud wt.

1 Lignite

9.3 or greater

1/2 sx of Pac

Add one tank after each DST

Add Gel as needed

Hulls as needed

Jet hole and add over 1 1/2 hours

Tourly if no premix is added on your tour:

1 caustic

Add thru chemical bbl over 1 1/2 hours

1/2 lignite

Keep hole full on all trips

Maintain ~~4~~ 1 lb/bbl LCM with hulls

Circulate hole clean prior to DST or log

Divert DST recovery to reserve pit

THANK YOU !

Mud-Co / Service Mud, Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **6**

Daily Drilling Mud Report

Date: **05/07/09** Depth: **4499**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation	Casing	Mud Volume (BBL)	Circulation Data
Present Activity DRILLING	8 5/8 in. at 315	Hole 382 Pits 400	Opposite Drill Pipe 177 Pump Pressure 1000
Bit Size (in.) 7 7/8	No 2	Intermediate in. at	Total Circulating Vol. 782
Drill pipe sz 4 1/2	Type XH	Production / Liner in. at	Volume in Storage Volume
Drill Collar size 6 1/4	Drilling mud type CHEMICAL	Est. Hole/DS capacities 8.5 2.603	Opposite Drill Collars 321 Pump Make EWCO
		BBH/ Strk 0.138 52	Bottoms Up (Min.) 45 Pump Model 15W600
		BBL/Min. 7.2 GAL/Min. 301	System Total (Min.) 109 Critical GPM DC/DP 334 536

Sample from Flowline ___ or Pit ___	Daily Mud Cost 2,918.65	Cumulative Mud Cost 13,045.85
Flowline Temperature	Mud Properties	

		MUD PROPERTIES SPECIFICATIONS			
Time Sample Taken	11:00 AM	Mud Wt. (lbs/gal.) 9.0-9.4	Viscosity 48-55	Filtrate 8-12	LCM 4-6#
Depth (Ft.)	4,499	1. CONTROL WT 9.0-9.4 W/ WATER AT FLOWLINE SUGGEST TODAY 100-WATER JET LOW & ADD OVER 2 HRS 6-SODA ASH 2-CAUSTIC 2-LIGNITE 2-DRILLPAC GEL AS NEEDED 2. THEN 48-55 VIS W/ THIS PREMIX 100-WATER JET & ADD OVER 1 1/2 HRS 2-SODA ASH 1-CAUSTIC AS NEEDED F/ VIS & CONTROL 1-LIGNITE MUD WT 1-DRILLPAC GEL AS NEEDED			
Weight (lb/gal.)	9.6				
Mud Gradient (psi/ft.)	0.499				
Funnel Viscosity (Sec/qt. API)	57				
Plastic Viscosity cp	10				
Yield Point (lb/100 sq.ft.)	34				
Gel Strength 10 sec/10 min.	23/48				
pH	8.5				
Filtrate API (ml/30 min.)	14.4				
Cake Thickness 32nd	2				
Alkalinity, Mud (Pm)					
Alkalinity, Filtrate (Pf/Mf)	.1				
Chloride Content, ppm	5,500				
Calcium, ppm	200				
Sand Content (% by Vol)	TRC				
Solids Content (% by Vol.)	8.9				
Oil Content (% by Vol.)					
Water Content (% by Vol.)	91.1				
LCM, lbs/bbl.	4#				
Reynold's #DP	749				
Reynold's # DC	1,673				
ECD lb/gal	10.37				

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	630		545	85	701.25
Lime	5		5		
Soda Ash	29		25	4	101.00
Caustic Soda	25		17	8	524.40
Lignite	16		12	4	112.00
C/S Hulls	215		180	35	490.00
Drill Pak	15		12	3	990.00
Desco	2		2		
PolyPlus	2		2		
Florigel					
Xcide					
Sapp					
Barite					
MIKGuard					

THANK YOU

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **7**

Daily Drilling Mud Report

Date: **05/08/09** Depth: **4578**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14
Well Name & No. Meade #1	County Edwards	State Kansas
State Kansas	Range 18W	

Operation	Casing	Mud Volume (BBL)	Circulation Data
Present Activity DRILLING	Hole 8 5/8 in. at 315	Pits 389 400	Opposite Drill Pipe 173
Bit Size (in.) 7 7/8	Intermediate 2	Total Circulating Vol. 789	Stroke 15
Drill pipe sz 4 1/2	Production / Liner XH	Volume in Storage 60 BBL	Est. Hole/DS capacities 8.5 2.603
Drill Collar size 6 1/4 529	Drilling mud type CHEMICAL	BBH Strk 0.138 51	Opposite Drill Collars 315
		BBH/Min. 7.0	Pump Pressure 1100
		GAL/Min. 295	Pump Make EWCO
			Bottoms Up (Min.) 47
			Pump Model 15W600
			System Total (Min) 112
			Critical GPM DC/DP 246 336

Sample from Flowline or Pit	Daily Mud Cost 1,313.55	Cumulative Mud Cost 14,359.40
Flowline Temperature		

Time Sample Taken	8:20 AM	Mud Properties
Depth (Ft.)	4,578	
Weight (lb/gal.)	9.2	
Mud Gradient (psi/ft.)	0.478	
Funnel Viscosity (Sec/qt. API)	51	
Plastic Viscosity cp	13	
Yield Point (lb/100 sq.ft.)	14	
Gel Strength 10 sec/10 min.	14/38	
pH	10.0	
Filtrate API (ml/30 min.)	8.8	Reserve
Cake Thickness 32nd	1	Pit
Alkalinity, Mud (Pm)		
Alkalinity, Filtrate (Pf/Mf)	.3	
Chloride Content, ppm	6,000	
Calcium, ppm	80	
Sand Content (% by Vol)	TRC	
Solids Content (% by Vol.)	6.0	
Oil Content (% by Vol.)		
Water Content (% by Vol.)	94.0	
LCM, lbs/bbl.	2#	
Reynold's #DP	1,664	
Reynold's # DC	2,593	
ECD lb/gal	9.61	

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	545		505	40	330.00
Lime	5		5		
Soda Ash	25		17	8	202.00
Caustic Soda	17		16	1	65.55
Lignite	12		11	1	28.00
C/S Hulls	180		178	2	28.00
Drill Pak	12		10	2	660.00
Desco	2		2		
PolyPlus	2		2		
Florigel					
Xcide					
Sapp					
Barite					
MilGuard					

MUD PROPERTIES SPECIFICATIONS			
Mud Wt. (lbs/gal.)	Viscosity	Filtrate	LCM
9.0-9.4	48-55	8-12	4-6#

1. CONTROL WT 9.0-9.4 W/ WATER AT FLOWLINE

2. VIS 48-55 W/ PREMIX

100-WATER JET & ADD OVER 2 HRS
2-SODA ASH
1-CAUSTIC AS NEEDED F/ VIS & CONTROL
1-LIGNITE MUD WT
1-DRILLPAC
GEL AS NEEDED

3. TOURLY 1-CAUSTIC 1-LIGNITE>> 2 HRS CHEM BBL

4. LCM RAISE TO 4-6#

KEEP HOLE FULL ON TRIPS

DO NOT SHAKE PIPE

AFTER DST PUT CONTAMINATED FLUID TO RESERVE PIT
& ADD PREMIX IF NEEDED

55 VIS F/ LOGS PIT MUD GEL UP IF NEEDED

DST #1 AT 4572

THANK YOU

Mud-Co / Service Mud. Inc.

100 S. Main St., Suite #310, Wichita, Ks. 67202

Report: **8**

Daily Drilling Mud Report

Date: **05/09/09** Depth: **4750**

Operator Rupe Oil	Contractor Val	Rig No. 6
Address Rig	Address Rig	Spud Date 05/01/09
Report for Mr. Terry McLeod	Report for Mr. Rick Smith	Section 14 Twp 26S Range 18W
Well Name & No. Meade #1	County Edwards	State Kansas

Operation Present Activity LOGS	Casing 8 5/8 in. at 315	Mud Volume (BBL) Hole 404 Pits 400	Liner Size 6 Stroke 15	Circulation Data Opposite Drill Pipe 204 Pump Pressure 0
Bit Size (in.) 7 7/8 No 2	Intermediate in. at	Total Circulating Vol. 804	Est. Hole/DS capacities 8.5 2.603	Opposite Drill Collars 371 Pump Make EWCO
Drill pipe sz 4 1/2 Type XH	Production / Liner in. at	Volume in Storage Volume	BBH Strk 0.138 Strk / Min. 60	Bottoms Up (Min.) 41 Pump Model 15W600
Drill Collar size 6 1/4 529	Drilling mud type CHEMICAL	BBL/Min. 8.3 GAL/Min. 347	System Total (Min.) 97	Critical GPM DC/DP 246 352

Sample from Flowline or Pit	Daily Mud Cost 1,370.40	Cumulative Mud Cost 15,729.80
Flowline Temperature		

Time Sample Taken 8:30 AM	Depth (Ft.) 4,750	Mud Wt.(lbs/gal.) 9.0-9.4	Viscosity 48-55	Filtrate 8-12	LCM 4-6#
-------------------------------------	-----------------------------	-------------------------------------	---------------------------	-------------------------	--------------------

Weight (lb/gal.) 9.4	Mud Gradient (psi/ft.) 0.489	RTD-4750 LTD-
Funnel Viscosity (Sec/qt. API) 50	Plastic Viscosity cp 11	1-DST RUN CSG-?
Yield Point (lb/100 sq.ft.) 16	Gel Strength 10 sec/10 min. 13/35	
pH 10.0	Filtrate API (ml/30 min.) 9.6 Reserve	
Cake Thickness 32nd 1 Pit	Alkalinity, Mud (Pm) 1800 BBL	
Alkalinity, Filtrate (Pf/Mf) .3	Chloride Content, ppm 6,000 26,000	
Calcium, ppm 80 HVY	Sand Content (% by Vol) TRC	
Solids Content (% by Vol.) 7.5	Oil Content (% by Vol.)	
Water Content (% by Vol.) 92.5	LCM, lbs/bbl. 2#	
Reynold's #DP 1,955	Reynold's # DC 3,361	
ECD lb/gal 9.92		

DRILLING MUD INVENTORY					
Products:	Prior Day	Delivery	On Hand	Used	Cost
Premium Gel	505		455	50	412.50
Lime	5		5		
Soda Ash	17		16	1	25.25
Caustic Soda	16		13	3	196.65
Ugnite	11		9	2	56.00
C/S Hulls	178		153	25	350.00
Drill Pak	10		9	1	330.00
Desco	2		2		
PolyPlus	2		2		
Florigal					
Xcide					
Sapp					
Berite					
MKGard					

KEEP HOLE FULL ON TRIPS DO NOT SHAKE PIPE

BREAK CIR 2-3 TIMES GOING IN W/ BIT AFTER LOGS
IF CSG IS RAN

IF CASING RAN THIN MUD BACK TO 40-42 VIS W/ WATER
& DESCO WHILE CIR CSG F/ CEMENT OR FOLLOW
CO. MANS RECOMMENDATIONS

THANK YOU



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

~~Off: (316) 262-6688 Fax: (316) 262-2512~~

Well: **MEAD #1**

Date: **4/30/09**

Rig # **6**

Depth:

Formation:

Operation: **MOVING IN**

Progress:

Days on Well:

Hole Cond.:

Slope Test

@

:

@

:

@

Mud Report:

Wt:

Vis:

WL:

LCM:

PH:

Cl:

Ca:

Sand:

PV:

YP:

Gels:

Cake:

Solids:

SPM:

Pump Pressure:

Liner:

Mud Used:

Bit Report:

RPM:

Weight:

Torque:

Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.

Cumulative Rotating Hours

Operating Hours:

Drig:

Trip:

Circ.:

Service:

Surveys:

Rig Repair:

Logs:

RU & Run Csg:

Cmtg:

WOC:

LC:

Other:

Comments:



VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202-3005

~~OFF: (316) 262-6688 FAX: (316) 262-2512~~

Well: **MEAD #1**

Date: **5/1/09**

Rig # **6**

Depth:

Formation:

Operation: **FINISH MOVING IN**

Progress:

Days on Well:

Hole Cond.:

Slope Test

@

:

@

:

@

Mud Report:

Wt:

Vis:

WL:

LCM:

PH:

Cl:

Ca:

Sand:

PV:

YP:

Gels:

Cake:

Solids:

SPM:

Pump Pressure:

Liner:

Mud Used:

Bit Report:

RPM:

Weight:

Torque:

Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.

Cumulative Rotating Hours

Operating Hours:

Drlg:

Trip:

Circ.:

Service:

Surveys:

Rig Repair:

Logs:

RU & Run Csg:

Cmtg:

WOC:

LC:

Other:

Comments: **SHOULD SPUD THIS AFTERNOON**



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

Office: (316) 265-6666 Fax: (316) 262-2512

Well: **MEAD #1** Date: **5/4/09** Rig # **6**

Depth: **2981** Formation: Operation: **DRILLING**

Progress: **666** Days on Well: **4** Hole Cond.:

Slope Test **1 @ 315**

Mud Report: Wt: **9.5** Vis: **32** WL: LCM:

PH: Cl: Ca: Sand: PV:

YP: Gels: Cake: Solids:

SPM: **52** Pump Pressure: **1000** Liner:

Mud Used:

DAILY: 3919.70 TOTAL: 4603.20

Bit Report: RPM: **70-80** Weight: **35000** Torque: Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.
1	12 1/4	RETIP		0	315	315	1 3/4
2	7 7/8	JZ	QX20	315		2666	33 1/4

Cumulative Rotating Hours **35**

Operating Hours: Drlg: **14** Trip: Circ.:

Service: **1/2** Surveys: Rig Repair: **2** Logs:

RU & Run Csg: Cmtg: WOC: LC:

Other: **CONN: 1 3/4 LOST CIRC @ 2430: 1 1/2 LOST CIRC @ 2601: 4 1/4**

Comments:



VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202-3005

Off: ~~(316) 262 6688~~ Fax: ~~(316) 262 2512~~

Well: **MEAD #1**

Date: **5/5/09**

Rig # **6**

Depth: **3576**

Formation:

Operation: **DRILLING**

Progress: **595**

Days on Well: **5**

Hole Cond.:

Slope Test

1 @ 315

Mud Report:

Wt: **9.0**

Vis: **50**

WL:

LCM:

PH:

Cl:

Ca:

Sand:

PV:

YP:

Gels:

Cake:

Solids:

SPM: **50**

Pump Pressure: **1000**

Liner:

Mud Used:

DAILY: 2168.50 TOTAL: 6771.70

Bit Report:

RPM: **70-80**

Weight: **38000**

Torque:

Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.
1	12 1/4	RETIP		0	315	315	1 3/4
2	7 7/8	JZ	QX20	315		3261	32 3/4

Cumulative Rotating Hours **34 1/2**

Operating Hours:

Drlg: **17 1/2**

Trip:

Circ.: **2 3/4**

Service: **3/4**

Surveys:

Rig Repair: **1 1/2**

Logs:

RU & Run Csg:

Cmtg:

WOC:

LC:

Other: **CONN: 1 1/4**

DISPLACE: 1/4

Comments:



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

~~Off: (316) 263-6633 Fax: (316) 263-2512~~

Well: **MEAD #1** Date: **5/6/09** Rig # **6**
Depth: **3990** Formation: Operation: **DRILLING**
Progress: **347** Days on Well: **6** Hole Cond.:
Slope Test **1 @ 315 1 @ 3606**

Mud Report: Wt: **9.0** Vis: **54** WL: **9.6** LCM: **3**
PH: **9.5** Cl: **5900** Ca: **40** Sand: **TRC** PV: **14**
YP: **14** Gels: **12/53** Cake: **1** Solids: **3.9**
SPM: **50** Pump Pressure: **1000** Liner: **6"**
Mud Used:
DAILY: 1878.90 TOTAL: 8650.60

Bit Report: RPM: **70** Weight: **40000** Torque: Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.
1	12 1/4	RETIP		0	315	315	1 3/4
2	7 7/8	JZ	QX20	315		3675	40 3/4

Cumulative Rotating Hours **42 1/2**

Operating Hours: Drlg: **11** Trip: **9 1/4** Circ.:
Service: **1 1/2** Surveys: **1/4** Rig Repair: **1 1/4** Logs:
RU & Run Csg: Cmtg: WOC: LC:
Other: **CONN: 1 LOST CIRC @ 3742: 3/4**

Comments:



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

Office (316) 262-6688 Fax (316) 262-2512

Well: **MEAD #1** Date: **5/7/09** Rig # **6**
Depth: **4406** Formation: Operation: **DRILLING**
Progress: **416** Days on Well: **7** Hole Cond.:
Slope Test **1 @ 315 1 @ 3606**

Mud Report: Wt: **9.2** Vis: **54** WL: **9.6** LCM: **5**
PH: **9.5** Cl: **5900** Ca: **40** Sand: **TRC** PV: **14**
YP: **14** Gels: **12/53** Cake: **1** Solids: **3.9**
SPM: **50** Pump Pressure: **1000** Liner: **6"**

Mud Used:

DAILY: 1476.60 TOTAL: 10127.20

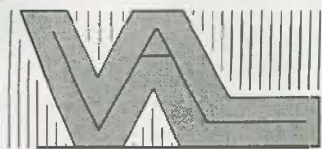
Bit Report: RPM: **70-80** Weight: **40000** Torque: Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.
1	12 1/4	RETIP		0	315	315	1 3/4
2	7 7/8	JZ	QX20	315		4091	77

Cumulative Rotating Hours **78 3/4**

Operating Hours: Drlg: **15 1/4** Trip: Circ.: **5 1/4**
Service: **1 1/2** Surveys: Rig Repair: **2** Logs:
RU & Run Csg: Cmtg: WOC: LC:
Other: **CONN: 1**

Comments:



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

~~Q55 (310) 262 6688 Fax (310) 262 2512~~

Well: **MEAD #1** Date: **5/12/09** Rig # **6**

Depth: **398** Formation: Operation: **DRILLING**

Progress: **398** Days on Well: **2** Hole Cond.:

Slope Test **1 @ 315**

Mud Report: Wt: Vis: WL: LCM:

PH: Cl: Ca: Sand: PV:

YP: Gels: Cake: Solids:

SPM: **52** Pump Pressure: **750** Liner:

Mud Used: **WATER**

DAILY: 683.50

Bit Report: RPM: **100** Weight: **28000** Torque: Drag:

Bit #	Size	Make	Type	In	Out	Footage	Hrs.
1	12 1/4	RETIP		0	315	315	1 3/4
2	7 7/8	JZ	QX20	315		77	1

Cumulative Rotating Hours **2 3/4**

Operating Hours: Drlg: **2 3/4** Trip: **3** Circ.: **1**

Service: Surveys: **1/4** Rig Repair: Logs:

RU & Run Csg: **1 1/2** Cmtg: **3/4** WOC: **8** LC:

Other: **RIG UP: 5 1/4** **MOUSE HOLE: 3/4** **CONN: 1 1/4** **DRILL PLUG: 1/4** **WELDER: 2 3/4**

Comments: **SPUD @ 1PM** **RAN 7 JTS NEW 23# 8 5/8 TALLY @ 298, SET @ 312**

320 SX 60/40 POZ 2% GEL, 3% CC PLUG DOWN @ 7PM BY QUALITY