Youngers 18CD #1 Drilling Report Page 2 of 2

12/13/11 Ran 8 jts new 23# 8-5/8" surface casing. Tally at 350', set at 366'. Cemented with 225 sacks Common, 3% cc, 2% gel. Cement circulated. Plug down at 10:00 a.m. Drilled out plug at 7:00 p.m.

12/14/11 Drilling at 1200' at 7:00 a.m.

12/15/11 Drilling at 2470' at 7:00 a.m.

12/16/11 Drilling at 3076' at 7:00 a.m.

12/17/11 Drilling at 3718' at 7:00 a.m.

12/18/11 Drilling at 4414' at 7:00 a.m.

12/19/11 **DST #1:** 4766' – 4788' (Pawnee) GTS 25 minutes into second open.

Recovered 124' gassy oil cut mud (25% oil, 30% gas, 45% mud) and 170' gassy oil cut

mud (20% oil, 40% gas, 40% mud).

Total fluid: 294' (22% oil, 36% gas, 42% mud) IFP: 33-59#/30" ISIP: 540#/60" FFP: 87-124#/45" FSIP: 540#/60"

12/20/11 Shut down for the holiday.

12/27/11 Preparing to resume drilling.

12/28/11 **DST #2:** 4862' – 4940' (Morrow Sand) Recovered 945' gas and 15' mud.

IFP: 24-20#/30" ISIP: 470#/45"

FFP: 18-20#/45" FSIP: 719#/60"

12/29/11 **DST #3:** 4912' – 5000' (Morrow Sand & Mississippian) Recovered 70' mud and 60'

water cut mud with oil spots (20% water, 80% mud). Chlorides 31,000.

IFP: 18-45#/30" ISIP: 1458#/45" FFP: 46-79#/45" FSIP: 1451#/60"

RTD 5100'. Ran Electric Log. LTD 5100'.

12/30/11 Ran 5-1/2" 15.5# new production casing, set at 5099'. Port collar at 1449'. Insert at 5077'. Pumped 500 gallons mud flush. Cemented casing with 175 sacks AA2, 5%

W/60, 10% salt, .5% C-15, 1/4# defoamer and 5# per sack gilsonite. Plug down at 7:20 p.m. Plugged rat hole with 30 sacks and plugged mouse hole with 20 sacks of 60/40

pozmix.