

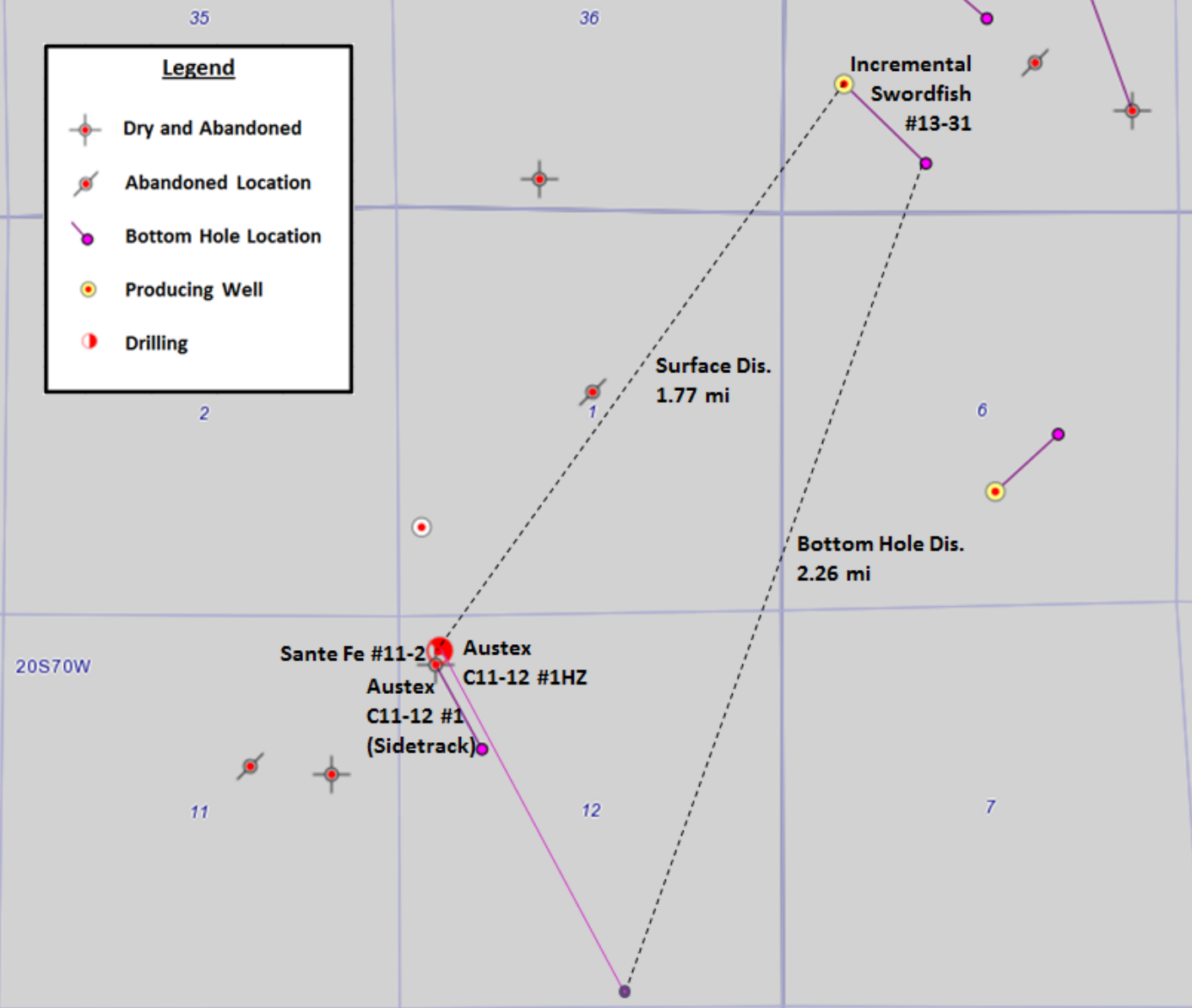
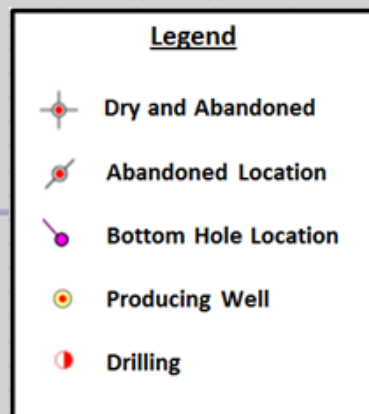
Fluids Used in Drilling and Fluid Loss
Pathfinder C-11-12#1
&
Pathfinder C-11-12#1HZ

Aus-Tex Exploration, Inc.

Distances between Austex C11-12 #1HZ & Incremental Swordfish #13-31 -Surface and Bottom Hole

-<http://dnrwebcomappg.state.co.us/mg2010app/?ogw='04306216'>

19S70W



PATHFINDER C-11-12 #1 DRILLING

Pathfinder C-11-12 #1 Drilling

- Spud on 6/30/2012
- Surface Casing:
 - 13 3/8" hole
 - Drilled to 1240'
 - Finished on 07/06/2012
 - No loss circulation problems
 - Did not encounter any mines
 - No problems running surface casing or cementing

Pathfinder C-11-12 #1 Drilling

- Intermediate Casing
 - 13 3/8" hole
 - Drilled to 4934'
 - Finished on 08/19/2012
 - Loss circulation problems
 - 1st attempt:
 - Drilled on 7/13/12
 - Foam/air drilling
 - Drilled to 3744' with no issues
 - Got stuck on 7/16/12 and fishing attempts were unsuccessful
 - 2nd attempt:
 - Set cement plug, and waited on cement in order to sidetrack on 7/19/2012
 - Attempt side track but lost circulation
 - 7/20/12
 - Then cased 9 5/8" where attempts were unsuccessful @ 2,307' on 7/20/2012

Pathfinder C-11-12 #1 Drilling

- Second Intermediate
 - Drilling with 7" casing
 - Started 8/11/2012
 - Successful
 - Lost circulation
- Third Intermediate Casing / Production Hanger
 - 6 1/8" hole
 - Drilled to 5,920' TD'
 - Started 8/21/2012
 - Finished on 08/24/2012
 - No loss circulation problems
 - Ran 4 1/2" Casing

Pathfinder C-11-12 #1 Drilling Mud Loss

Date	Operation	Fluid loss, bbl	Cummulative loss, bbl
8/5/2012	Reaming 13 3/8" hole	60	60
8/9/2012	Circulating @ 9 5/8" shoe	220.72	280.72
8/10/2012	Circulating @ 9 5/8" shoe	509	789.72
8/14/2012	Drilling with 7" Casing	1872	2661.72
8/15/2012	Drilling with 7" Casing	2500	5161.72
8/16/2012	Drilling with 7" Casing	843.3	6005.02
8/17/2012	Drilling with 7" Casing	8700	14705.02
8/18/2012	Drilling with 7" Casing	5400	20105.02
8/19/2012	Drilling 6 1/8" hole	7600	27705.02
8/20/2012	Drilling wit6 1/8" hole	5600	33305.02
8/22/2012	Drilling 6 1/8" hole	2300	35605.02

Pathfinder C-11-12 #1 Mud Used

Chemical Usage during drilling (All Baker Hughes Product)		
Bio-Lose	50	lb
Max-Guard	55	gal
Mil Gel	150	lb
Mil Pac R	50	lb
New-Drill	5	gal
New-Drill Plus	25	lb
Protectomagic M	50	lb
SAPP	50	lb
Sodium Bicarbonate	50	lb
X-CIDE 150	55	gal
X-CID 207	2	gal
Xan-Plex D	25	lb
Cedar Fiber	50	lb
Cottonseed Hulls	25	lb
Mil Plug Med	50	lb
Mil Seal Med	50	lb
Pheo Seal	50	lb
Saw Dust	50	lb
Super-Sweep	25	lb

PATHFINDER C-11-12 #1HZ DRILLING

Pathfinder C-11-12 #1HZ Drilling

- Spud on 8/29/2012
- Surface Casing:
 - 13 3/8" hole
 - Drilled to 1235'
 - Finished on 09/03/2012
 - No loss circulation problems
 - Did not encounter any mines
 - No problems running surface casing or cementing
- Intermediate Casing
 - 9 5/8"
 - Drilled to 4,862
 - Finished on 09/15/2012
 - Loss circulation problems
 - No problems running surface casing or cementing

Pathfinder C-11-12 #1HZ Drilling

- Curve
 - 7"
 - Drilled to 5678'
 - Finished on 09/20/2012
 - Loss circulation problems
 - No problems running surface casing or cementing
- Lateral
 - 4 ½"
 - Drilled to 9,460'
 - Finished on 09/26/2012
 - Loss circulation problems
 - No problems running surface casing or cementing

Pathfinder C-11-12#1HZ Drilling Mud Loss

Date	Operation	Fluid loss, bbl	Cumulative loss, bbl
9/4/2012	Drilling W / 9 5/8 Casing	100.00	100
9/9/2012	Drilling W / 9 5/8 Casing	1,286.00	1,386
9/11/2012	Drilling W / 9 5/8 Casing	169.81	1,556
9/12/2012	Drilling W / 9 5/8 Casing	680.00	2,236
9/13/2012	Drilling W / 9 5/8 Casing	800.00	3,036
9/14/2012	Drilling W / 9 5/8 Casing	2,800.00	5,836
9/15/2012	Drilling W / 9 5/8 Casing	4,150.00	9,986
9/16/2012	Drilling W / 9 5/8 Casing	53.97	10,040
9/17/2012	Drilling/ Building Curve	171.00	10,211
9/19/2012	Drilling/ Building Curve	109.52	10,320
9/21/2012	Drilling/ Building Curve	31.00	10,351
9/22/2012	Drilling 6 1/8" Lateral	300.00	10,651
9/23/2012	Drilling 6 1/8" Lateral	4.00	10,655
9/30/2012	Drilling 6 1/8" Lateral	66.40	10,722

Pathfinder C-11-12#1HZ Drilling

Mud Used

Chemical Usage during drilling (All Baker Hughes Product)

Bio-Lose	3,950	lb
Desco	100	lb
LC-Glide	2,000	lb
LC-Lube	2,000	lb
Max-Guard	1,650	gal
Mil-Bar 410	11,400	lb
Mil-Gel	113,900	lb
Mil-Lube	55	gal
Mil-Pac R	6,100	lb
New Drill	215	gal
SAPP	1,450	lb
Sawdust	2,250	lb
Sodium Bicarbonate	3,250	lb
X-Cide 150	660	gal
X-Cide 207	2	gal
Cedar Fiber	350	lb
Cottonseed Hulls	400	lb
Mil-Plug Med	19,500	lb
Pheno Seal	50	lb
Super-Sweep	25	lb