

[illegible]

DAILY INVOICE DOCUMENTATION			DESCRIPTION	PREVIOUS	DAILY	CUMM
DATE	INV/DEL TK. #	VENDOR / SERVICE				
			ROAD/LOCATION EXP.			
			COMPL. W/O RIG/COIL	\$4,800	\$3,200	\$8,000
			SUPV. CONSULTANT	\$1,800	\$1,800	\$3,600
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES			
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
			RENTALS			
			FISHING TOOLS / FISHING TOOL CONSULTANT			
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$6,600	\$5,000	\$11,600
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL	\$6,600	\$5,000	\$11,600

[illegible]

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco services	COMPL. W/O RIG/COIL	\$8,000	\$3,400	\$11,400
		Schneider Energy	SUPV. CONSULTANT	\$3,600	\$1,800	\$5,400
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES			
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
			RENTALS			
			FISHING TOOLS / FISHING TOOL CONSULTANT			
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$11,600	\$5,200	\$16,800
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL	\$11,600	\$5,200	\$16,800

Merchant Energy Partners						REPORT NO.		6		DATE:		8/2/2010	
LEASE:				Schwake		WELL NO.		A-3		AFE/PROJ.NO.			
FIELD:		WEST PEETZ		COUNTY/PARISH:		LOGAN						STATE: CO.	
PRESENT OPERATION:				Drilling									
DAILY COST: \$				\$14,500		CUMM. COST:		\$54,100					
REPORTED BY:				Caleb Rounsaville			CONTRACTOR REP:		Gary Naill				
PHONE				970-466-1554			CONTRACTOR/RIG #:		Nebco Services				
PRODUCTION CASING							TUBING						
SIZE:	9 5/8	WT:	0.00	DEPTH:		ID:	0.00	SIZE:		WT:	0.00	ID:	0.00
SIZE:		WT:	0.00	DEPTH:		ID:	0.00	SIZE:		WT:	0.00	ID:	0.00
EQUIPMENT DATA													
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:		0.00
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:		0.00
NIPPLES: TYPE/MODEL							SETTING DEPTH:				ID:		0.00
NIPPLES: TYPE/MODEL							SETTING DEPTH:				ID:		0.00
TBG HD/FLANGE:MFG/MODEL							SIZE:				WP		
PRESENT PERFS:							ELEVATION RKB TO BHF:						
SMALLEST I.D.:				0.000		DEPTH:		PBDT:					
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)									
0:01	10:00	9:59	Drill down to 4100' and tag casing, called Daniel & STS tool . Will have mills here @										
			2:30 and patch										
10:00	13:30	3:30	P.O.O.H W/ pipe and BHA #1. Bit in #3 condition										
13:30	19:30	6:00	STS arrived with Skirted mill only, find 7 7/8 concave mill from Basic and have delivered.										
19:30	22:00	2:30	Pick up 7 7/8 concave mill and 12 - 6" drill collars, RIH w/ pipe working through several										
			tight spots on the way in.										
22:00	23:59	1:59	Tag up @ 4025', rig up kelly and start washing down to fish top.										
			NOTE: Rig crews joint count was off when pipe was pulled, actual fish top is 4156'										
Accidents? No			Description: None										
DAILY INVOICE DOCUMENTATION													
DATE	INV/DEL TK. #		VENDOR / SERVICE			DESCRIPTION		PREVIOUS	DAILY	CUMM			
						ROAD/LOCATION EXP.							
			Nebco services			COMPL. W/O RIG/COIL		\$30,600	\$9,600	\$40,200			
			Schneider Energy			SUPV. CONSULTANT		\$9,000	\$1,800	\$10,800			
						ROUSTABOUT							
						MUD & CHEMICALS							
						COMPLETION FLUIDS							
						NITROGEN SERVICE							
			Basic 7 7/8 mill			BITS, MILLS & SUPPLIES			\$3,000	\$3,000			
						TRANSPORTATION - TRUCKING							
						VACUUM TRUCK/HOT OIL SERV							
						STIMULATION							
						POWER, FUEL & WATER							
						SPECIAL SERVICES							
						CEMENT & SERVICE							
			Light towers			RENTALS			\$100	\$100			
						FISHING TOOLS / FISHING TOOL CONSULTANT							
						LOGGING-ELEC LINE							
						PERFORATING							
						MISC WIRE LINE (SLICKLINE)							
						WELL / TEST SURVEY							
						PLUGGING COSTS							
						CONTINGENCIES							
						TUBING TESTING							
						ANCHOR TESTING							
						TOT INTANGIBLE COSTS		\$39,600	\$14,500	\$54,100			
						PACKERS/NIPPLES/ETC							
						TUBING							
						WELLHEAD EQ							
						PRODUCTION EQ							
						TOT TANGIBLE COSTS							
						TOTAL		\$39,600	\$14,500	\$54,100			

Merchant Energy Partners						REPORT NO.		7		DATE:		8/3/2010		
LEASE:			Schwake			WELL NO.		A-3		AFE/PROJ.NO.				
FIELD:		WEST PEETZ		COUNTY/PARISH:		LOGAN					STATE:		CO.	
PRESENT OPERATION:			washing down / drilling											
DAILY COST: \$			\$4,300			CUMM. COST:		\$58,400						
REPORTED BY:			Caleb Rounsaville			CONTRACTOR REP:		Gary Nail						
PHONE			970-466-1554			CONTRACTOR/RIG #:		Nebco Services						
PRODUCTION CASING						TUBING								
SIZE:	9 5/8	WT:	0.00	DEPTH:		ID:	0.00	SIZE:		WT:	0.00	ID:	0.00	
SIZE:	0	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:	0	WT:	0.00	ID:	0.00	
EQUIPMENT DATA														
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:	0.00		
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL							SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL							SETTING DEPTH:				ID:	0.00		
TBG HD/FLANGE:MFG/MODEL							SIZE:					WP	0	
PRESENT PERFS:							ELEVATION RKB TO BHF:					0		
SMALLEST I.D.:			0.000		DEPTH:				PBTD:		0			

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Accidents? No	Description:	None
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DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco Services	COMPL. W/O RIG/COIL	\$40,200	\$2,400	\$42,600
		Schneider energy	SUPV. CONSULTANT	\$10,800	\$1,800	\$12,600
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
		Basic	BITS, MILLS & SUPPLIES	\$3,000		\$3,000
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
		light tower	RENTALS	\$100	\$100	\$200
			FISHING TOOLS / FISHING TOOL CONSULTANT			
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$54,100	\$4,300	\$58,400
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL	\$54,100	\$4,300	\$58,400

Merchant Energy Partners						REPORT NO.		11		DATE:		8/7/2010							
LEASE:				Schwake		WELL NO.		A-3		AFE/PROJ.NO.									
FIELD:			WEST PEETZ		COUNTY/PARISH:			LOGAN				STATE: CO.							
PRESENT OPERATION:					Laying down														
DAILY COST: \$				\$14,945		CUMM. COST:		\$122,690											
REPORTED BY:				Caleb Rounsaville			CONTRACTOR REP:		Gary Naill										
PHONE				970-466-1554			CONTRACTOR/RIG #:		Nebco Services										
PRODUCTION CASING								TUBING											
SIZE:			WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:			WT:	0.00	ID:	0.00				
SIZE:		0	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00				
EQUIPMENT DATA																			
PACKER(S)MFG/MODEL								0		SETTING DEPTH:				0		ID:		0.00	
PACKER(S)MFG/MODEL								0		SETTING DEPTH:				0		ID:		0.00	
NIPPLES: TYPE/MODEL								0		SETTING DEPTH:				0		ID:		0.00	
NIPPLES: TYPE/MODEL								0		SETTING DEPTH:				0		ID:		0.00	
TBG HD/FLANGE:MFG/MODEL								0		SIZE:						WP		0	
PRESENT PERFS:								0		ELEVATION RKB TO BHF:				0					
SMALLEST I.D.:				0.000		DEPTH:				PBSD:		0							
ACTIVITY SUMMARY			(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)																
6:00	7:00	1:00	Wash down to 4133' pump not pumping right. Pull off bottom and rotate pipe.																
7:00	10:00	3:00	Large pieces of wood stuck under suction valves, tear pump down and clean out wood																
10:00	11:00	1:00	Break circulation and resume washing down. Wash down to 4142' and quit making hole																
			large amounts of wood in returns.																
11:00	11:30	0:30	Circulate well clean and set back kelly.																
11:30	12:00	0:30	Start working pipe in 10' sections on the way out. Tag up hard @ 4114', unable to get																
			back down hole.																
12:00	12:30	0:30	Rig up kelly and break circulation, start working pipe.																
12:30	14:00	1:30	fall through 4', mill @ 4118' (end of skirt) for 1 hour and make 2 1/2'. Circ hole clean.																
14:00	14:30	0:30	Set back kelly and switch over.																
14:30	17:30	3:00	POOH w/ drill pipe and BHA # 6. Mill has 5" wear mark on face 1/4" deep.																
17:30	18:00	0:30	Call Daniel and get orders.																
18:00	20:30	2:30	Pick up 7 7/8 mill tooth bit and RIH w/ collars and drill pipe.																
20:30	21:30	1:00	Rig up kelly and condition hole .																
21:30	22:00	0:30	Set back kelly and switch over.																
22:00	23:59	1:59	POOH w/ drill pipe and BHA #7 laying down.																
0:01	5:30	5:29	Lay down drill string.																
5:30	6:00	0:30	Change over to run casing.																
Accidents? No			Description:	None															
DAILY INVOICE DOCUMENTATION																			
DATE	INV/DEL TK. #	VENDOR / SERVICE			DESCRIPTION			PREVIOUS	DAILY	CUMM									
					ROAD/LOCATION EXP.														
		Nebco services			COMPL. W/O RIG/COIL			\$65,800	\$9,600	\$75,400									
		Schneider energy			SUPV. CONSULTANT			\$18,000	\$1,800	\$19,800									
					ROUSTABOUT														
					MUD & CHEMICALS														
					COMPLETION FLUIDS														
					NITROGEN SERVICE														
					BITS, MILLS & SUPPLIES			\$11,750		\$11,750									
					TRANSPORTATION - TRUCKING														
					VACUUM TRUCK/HOT OIL SERV														
					STIMULATION														
		ag services			POWER, FUEL & WATER			\$295	\$195	\$490									
					SPECIAL SERVICES														
					CEMENT & SERVICE														
		Light towers			RENTALS			\$500	\$100	\$600									
		Basic			FISHING TOOLS / FISHING TOOL CONSULTANT			\$11,400	\$2,500	\$13,900									
					LOGGING-ELEC LINE														
					PERFORATING														
					MISC WIRE LINE (SLICKLINE)														
					WELL / TEST SURVEY														
					PLUGGING COSTS														
					CONTINGENCIES														
					TUBING TESTING														
					ANCHOR TESTING														
					TOT INTANGIBLE COSTS			\$107,745	\$14,195	\$121,940									
					PACKERS/NIPPLES/ETC														
					TUBING														
		Black Gold			WELLHEAD EQ				\$750	\$750									
					PRODUCTION EQ														
					TOT TANGIBLE COSTS				\$750	\$750									
					TOTAL			\$107,745	\$14,945	\$122,690									

[illegible]

Merchant Energy Partners						REPORT NO.		13		DATE:		8/9/2010		
LEASE:				Schwake		WELL NO.		A-3		AFE/PROJ.NO.				
FIELD:		WEST PEETZ		COUNTY/PARISH:		LOGAN						STATE: CO.		
PRESENT OPERATION:														
DAILY COST: \$				\$20,600		CUMM. COST:		\$169,091						
REPORTED BY:				Caleb Rounsaville		CONTRACTOR REP:		Gary Naill						
PHONE				970-466-1554		CONTRACTOR/RIG #:		Nebco services						
PRODUCTION CASING								TUBING						
SIZE:	9 5/8	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:	0	WT:	0.00	ID:	0.00	
SIZE:		WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:	0	WT:	0.00	ID:	0.00	
EQUIPMENT DATA														
PACKER(S)MFG/MODEL						SETTING DEPTH:				ID:		0.00		
PACKER(S)MFG/MODEL						SETTING DEPTH:				ID:		0.00		
NIPPLES: TYPE/MODEL						SETTING DEPTH:				ID:		0.00		
NIPPLES: TYPE/MODEL						SETTING DEPTH:				ID:		0.00		
TBG HD/FLANGE:MFG/MODEL						SIZE:						WP		0
PRESENT PERFS:						ELEVATION RKB TO BHF:								0
SMALLEST I.D.:				0.000		DEPTH:						PBDT:		0
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)										
6:00	7:00	1:00	In hole w/ casing. Rig up circulating equipment and break circ.											
7:00	8:00	1:00	Circulate down to 4143' and no tag.											
8:00	9:30	1:30	Rig up power swivel and start working pipe, could not tag fish top.											
9:30	10:30	1:00	Rig down power swivel and switch over.											
10:30	11:00	0:30	Rig up lay down equipment											
11:00	13:00	2:00	Work on lay down equipment to get it to work for laying down casing.											
13:00	20:00	7:00	Lay down casing. Tools show minor scratches on guide, nothing inside or on face.											
20:00	21:00	1:00	Rig down casing crew.											
21:00	22:30	1:30	Re-drill mouse hole and run shuck.											
22:30	0:00	1:30	Change over and rig up to pick up collars and drill pipe. Jet 8 5/8 bit w/ 3 - 14/32 jets											
0:01	2:00	1:59	Make up 8 3/4 mill tooth bit and pick up 6" drill collars. RIH w/ 7 collors and start drilling											
			at 205'											
6:00		#####	Washing down @ 504' w/ jt # 5											
Accidents? No			Description: None											
DAILY INVOICE DOCUMENTATION														
DATE	INV/DEL TK. #	VENDOR / SERVICE		DESCRIPTION		PREVIOUS	DAILY	CUMM						
				ROAD/LOCATION EXP.										
		Nebco services		COMPL. W/O RIG/COIL		\$85,000	\$8,000	\$93,000						
		Schneider Energy		SUPV. CONSULTANT		\$21,600	\$1,800	\$23,400						
				ROUSTABOUT										
				MUD & CHEMICALS										
				COMPLETION FLUIDS										
				NITROGEN SERVICE										
				BITS, MILLS & SUPPLIES		\$11,750		\$11,750						
				TRANSPORTATION - TRUCKING										
				VACUUM TRUCK/HOT OIL SERV										
				STIMULATION										
				POWER, FUEL & WATER		\$490		\$490						
		Mountain states casing		SPECIAL SERVICES		\$2,300	\$2,000	\$4,300						
				CEMENT & SERVICE										
		Light tower		RENTALS		\$700	\$100	\$800						
		Basic Energy, casing patch		FISHING TOOLS / FISHING TOOL CONSULTANT		\$25,901	\$8,700	\$34,601						
				LOGGING-ELEC LINE										
				PERFORATING										
				MISC WIRE LINE (SLICKLINE)										
				WELL / TEST SURVEY										
				PLUGGING COSTS										
				CONTINGENCIES										
				TUBING TESTING										
				ANCHOR TESTING										
				TOT INTANGIBLE COSTS		\$147,741	\$20,600	\$168,341						
				PACKERS/NIPPLES/ETC										
				TUBING										
				WELLHEAD EQ		\$750		\$750						
				PRODUCTION EQ										
				TOT TANGIBLE COSTS		\$750		\$750						
				TOTAL		\$148,491	\$20,600	\$169,091						

Merchant Energy Service Partners								REPORT NO.				DATE:		8/10/2010						
LEASE:				Schwake				WELL NO.		A-3		AFE/PROJ.NO.								
FIELD:			WEST PEETZ			COUNTY/PARISH:			LOGAN						STATE:		CO.			
PRESENT OPERATION:																				
DAILY COST: \$				\$11,360				CUMM. COST:		\$180,451										
REPORTED BY:				Caleb Rounsaville				CONTRACTOR REP:		Gary Naill										
PHONE				970-466-1554				CONTRACTOR/RIG #:		Nebco services										
PRODUCTION CASING										TUBING										
SIZE:	9 5/8		WT:	0.00		DEPTH:	0		ID:	0.00		SIZE:	0		WT:	0.00		ID:	0.00	
SIZE:	0		WT:	0.00		DEPTH:	0		ID:	0.00		SIZE:	0		WT:	0.00		ID:	0.00	
EQUIPMENT DATA																				
PACKER(S)MFG/MODEL				0						SETTING DEPTH:				0		ID:		0.00		
PACKER(S)MFG/MODEL				0						SETTING DEPTH:				0		ID:		0.00		
NIPPLES: TYPE/MODEL				0						SETTING DEPTH:				0		ID:		0.00		
NIPPLES: TYPE/MODEL				0						SETTING DEPTH:				0		ID:		0.00		
TBG HD/FLANGE:MFG/MODEL				0						SIZE:		0				WP		0		
PRESENT PERFS:				0						ELEVATION RKB TO BHF:				0						
SMALLEST I.D.:				0.000		DEPTH:		0		PBTD:		0								
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)																
6:00		7:00		1:00		Down to 855' on jt #15														
7:00		15:00		8:00		Daylight crew wash down and drill from 855' - 2213'. Crew change on jt # 59														
15:00		23:00		8:00		Evening crew wash and drill from 2213' - 3169'. Crew change on jt # 90														
23:00		23:59		0:59		Swing shift crew wash and drill down.														
0:01		3:30		3:29		Wash down to 3478 on jt # 100, pushing boot or trash in hole.														
3:30		5:30		2:00		Make repairs to make up side tugger line.														
5:30		6:00		0:30		Wash down pushing trash down hole. Down to 3538' w/ 102 jts.														
Accidents? No				Description:		None														

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco Services	COMPL. W/O RIG/COIL	\$93,000	\$8,800	\$101,800
		Schneider Energy	SUPV. CONSULTANT	\$23,400	\$1,800	\$25,200
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES	\$11,750		\$11,750
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
		Ag services	POWER, FUEL & WATER	\$490	\$660	\$1,150
			SPECIAL SERVICES	\$4,300		\$4,300
			CEMENT & SERVICE			
		Light tower	RENTALS	\$800	\$100	\$900
			FISHING TOOLS / FISHING TOOL CONSULTANT	\$34,601		\$34,601
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$168,341	\$11,360	\$179,701
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ	\$750		\$750
			PRODUCTION EQ			
			TOT TANGIBLE COSTS	\$750		\$750
			TOTAL	\$169,091	\$11,360	\$180,451

Merchant Energy Partners								REPORT NO.		15		DATE:		8/11/2010													
LEASE:				Schwake				WELL NO.				A-3		AFE/PROJ.NO.													
FIELD:		WEST PEETZ			COUNTY/PARISH:				LOGAN							STATE:			CO.								
PRESENT OPERATION:																											
DAILY COST: \$				\$15,255				CUMM. COST:				\$195,706															
REPORTED BY:				Caleb Rounsaville				CONTRACTOR REP:				Gary Naill															
PHONE				970-466-1554				CONTRACTOR/RIG #:				Nebco services															
PRODUCTION CASING										TUBING																	
SIZE:		9 5/8		WT:		0.00		DEPTH:		0		ID:		0.00		SIZE:		0		WT:		0.00		ID:		0.00	
SIZE:		0		WT:		0.00		DEPTH:		0		ID:		0.00		SIZE:		0		WT:		0.00		ID:		0.00	
EQUIPMENT DATA																											
PACKER(S)MFG/MODEL				0						SETTING DEPTH:				0		ID:		0.00									
PACKER(S)MFG/MODEL				0						SETTING DEPTH:				0		ID:		0.00									
NIPPLES: TYPE/MODEL				0						SETTING DEPTH:				0		ID:		0.00									
NIPPLES: TYPE/MODEL				0						SETTING DEPTH:				0		ID:		0.00									
TBG HD/FLANGE:MFG/MODEL				0						SIZE:		0						WP		0							
PRESENT PERFS:				0						ELEVATION RKB TO BHF:				0													
SMALLEST I.D.:				0.000		DEPTH:		0		PBTD:		0															
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)																							
6:00		7:00		1:00		Crew change. Down to 3661 w/ 106 jts.																					
7:00		15:30		8:30		Wash down and ream, hard drilling to 4115'.																					
15:30		16:30		1:00		Circulate and condition hole																					
16:30		17:00		0:30		Set back kelly and switch over.																					
17:00		20:00		3:00		POOH w/ 8 3/4 bit, have mud boot and trash above bit pulling hard, circulate out of hole.																					
20:00		21:30		1:30		Break out bit and make up 6 1/2 concave mill w/ 7 5/8 skirt, bell socket, x-overs, and start in hole w/ drill collars and drill pipe.																					
21:30		23:30		2:00		Tag up @ 1416' and could not work through , rig up kelly and circulate through tight spot																					
23:30		23:59		0:29		set back kelly and switch over.																					
0:01		3:00		2:59		RIH w/ remainder of drill pipe working through several tight spots going in.																					
3:00		3:30		0:30		switch over and rig up kelly.																					
3:30		4:30		1:00		Work over fish top and mill off 1' of fish.																					
4:30		5:30		1:00		Circulate hole clean and condition hole.																					
5:30		6:00		0:30		start out of hole laying down, having to work pipe , pulling tight.																					
Accidents? No				Description:		None																					

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco Services	COMPL. W/O RIG/COIL	\$101,800	\$9,600	\$111,400
		Schneider Energy	SUPV. CONSULTANT	\$25,200	\$1,800	\$27,000
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
		Basic , skirted mill	BITS, MILLS & SUPPLIES	\$11,750	\$3,000	\$14,750
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
		Ag services	POWER, FUEL & WATER	\$1,150	\$755	\$1,905
			SPECIAL SERVICES	\$4,300		\$4,300
			CEMENT & SERVICE			
		Light tower	RENTALS	\$900	\$100	\$1,000
			FISHING TOOLS / FISHING TOOL CONSULTANT	\$34,601		\$34,601
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$179,701	\$15,255	\$194,956
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ	\$750		\$750
			PRODUCTION EQ			
			TOT TANGIBLE COSTS	\$750		\$750
			TOTAL	\$180,451	\$15,255	\$195,706

[illegible]

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco services	COMPL. W/O RIG/COIL	\$126,600	\$5,400	\$132,000
		Schneider energy	SUPV. CONSULTANT	\$30,600	\$1,800	\$32,400
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
		Hillyard bit	BITS, MILLS & SUPPLIES	\$14,750	\$350	\$15,100
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
		Ag services	POWER, FUEL & WATER	\$1,905	\$195	\$2,100
			SPECIAL SERVICES	\$6,100		\$6,100
			CEMENT & SERVICE			
		Light towers	RENTALS	\$1,200	\$100	\$1,300
			FISHING TOOLS / FISHING TOOL CONSULTANT	\$34,601		\$34,601
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$215,756	\$7,845	\$223,601
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ	\$750		\$750
			PRODUCTION EQ			
			TOT TANGIBLE COSTS	\$750		\$750
			TOTAL	\$216,506	\$7,845	\$224,351

Merchant Energy Service Partners						REPORT NO.		DATE:		8/15/2010			
LEASE:			Schwake			WELL NO.		A-3		AFE/PROJ.NO.			
FIELD:		WEST PEETZ		COUNTY/PARISH:		LOGAN				STATE: CO.			
PRESENT OPERATION:													
DAILY COST: \$			\$12,800			CUMM. COST:		\$237,151					
REPORTED BY:			Caleb Rounsaville			CONTRACTOR REP:		Gary Naill					
PHONE			970-466-1554			CONTRACTOR/RIG #:		Nebco services					
PRODUCTION CASING						TUBING							
SIZE:	9 5/8	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:	0	WT:	0.00	ID:	0.00
SIZE:	0	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:	0	WT:	0.00	ID:	0.00
EQUIPMENT DATA													
PACKER(S)MFG/MODEL			0			SETTING DEPTH:			0		ID:	0.00	
PACKER(S)MFG/MODEL			0			SETTING DEPTH:			0		ID:	0.00	
NIPPLES: TYPE/MODEL			0			SETTING DEPTH:			0		ID:	0.00	
NIPPLES: TYPE/MODEL			0			SETTING DEPTH:			0		ID:	0.00	
TBG HD/FLANGE:MFG/MODEL			0			SIZE:		0		WP	0		
PRESENT PERFS:			0			ELEVATION RKB TO BHF:					0		
SMALLEST I.D.:			0.000		DEPTH:	0		PBTD:		0			
ACTIVITY SUMMARY			(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)										
6:00	11:30	5:30	All wood in returns, down to 4197' and bit touring up, quit drilling.										
11:30	12:00	0:30	Circ hole clean										
12:00	13:00	1:00	Set back swivel and rig up tongs.										
13:00	16:00	3:00	POOH w/ tbg and 4 3/4 bit.										
16:00	18:30	2:30	Make up 4 3/4 junk mill and RIH w/ tbg.										
18:30	19:00	0:30	Set back tongs and rig up power swivel.										
19:00	23:00	4:00	Drill from 4215' - 4277' all wood in returns. Crew change										
23:00	0:00	1:00	Drill , all wood in returns										
0:01	6:00	5:59	Drill from 4277'-4345'. 100 % wood in returns. No communication up annulas, patch appears to be holding.										
Accidents? No			Description:		None								

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Nebco Services	COMPL. W/O RIG/COIL	\$132,000	\$9,600	\$141,600
		Schneider Energy	SUPV. CONSULTANT	\$32,400	\$1,800	\$34,200
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS			
			NITROGEN SERVICE			
		Junk mill	BITS, MILLS & SUPPLIES	\$15,100	\$700	\$15,800
			TRANSPORTATION - TRUCKING			
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER	\$2,100		\$2,100
			SPECIAL SERVICES	\$6,100		\$6,100
			CEMENT & SERVICE			
		Light tower/power swivel	RENTALS	\$1,300	\$700	\$2,000
			FISHING TOOLS / FISHING TOOL CONSULTANT	\$34,601		\$34,601
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$223,601	\$12,800	\$236,401
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ	\$750		\$750
			PRODUCTION EQ			
			TOT TANGIBLE COSTS	\$750		\$750
			TOTAL	\$224,351	\$12,800	\$237,151

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DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Yetter	COMPL. W/O RIG/COIL		\$1,850	\$1,850
		Schneider Energy	SUPV. CONSULTANT		\$450	\$450
			ROUSTABOUT			
			MUD & CHEMICALS			
		Kloberdanze Oilfield	COMPLETION FLUIDS		\$650	\$650
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES			
		Yetter	TRANSPORTATION - TRUCKING		\$550	\$550
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
			RENTALS			
			FISHING TOOLS / FISHING TOOL CONSULTANT			
			LOGGING-ELEC LINE			
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS		\$3,500	\$3,500
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL		\$3,500	\$3,500

[illegible]

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Yetter	COMPL. W/O RIG/COIL	\$1,850	\$2,150	\$4,000
		Schneider Energy	SUPV. CONSULTANT	\$450	\$450	\$900
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS	\$650		\$650
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES			
			TRANSPORTATION - TRUCKING	\$550		\$550
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
			RENTALS			
			FISHING TOOLS / FISHING TOOL CONSULTANT			
		J-W Wireline	LOGGING-ELEC LINE		\$2,750	\$2,750
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$3,500	\$5,350	\$8,850
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL	\$3,500	\$5,350	\$8,850

Merchant Energy Partners								REPORT NO.						DATE:		11/1/2010		
LEASE:				Schwake				WELL NO.				A3		AFE/PROJ.NO.				
FIELD:			West Peetz			COUNTY/PARISH:			Logan						STATE:		co	
PRESENT OPERATION:																		
DAILY COST: \$				\$10,800				CUMM. COST:				\$19,650						
REPORTED BY:				Kelley Reinhardt				CONTRACTOR REP:				Allen Yetter						
PHONE				970-441-0036				CONTRACTOR/RIG #:				Yetter Well/Rig 9						
PRODUCTION CASING								TUBING										
SIZE:	5 1/2	WT:	15.50	DEPTH:	0	ID:	0.00	SIZE:		WT:	0.00	ID:	0.00					
SIZE:	0	WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:		WT:	0.00	ID:	0.00					
EQUIPMENT DATA																		
PACKER(S)MFG/MODEL								SETTING DEPTH:						ID:	0.00			
PACKER(S)MFG/MODEL								SETTING DEPTH:						ID:	0.00			
NIPPLES: TYPE/MODEL				Csg. patch @ 4148'.				SETTING DEPTH:						ID:	0.00			
NIPPLES: TYPE/MODEL								SETTING DEPTH:						ID:	0.00			
TBG HD/FLANGE:MFG/MODEL								SIZE:						WP	0			
PRESENT PERFS:								ELEVATION RKB TO BHF:										
SMALLEST I.D.:				0.000		DEPTH:				PBTD:								
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)														
6:00	7:00	1:00	Crew travel start equipment hold JSA															
7:00	11:00	4:00	Wait on Basic Energy															
11:00	14:00	3:00	PU 4 1/2" burn shoe, 3 JNTs 4 1/2" wash pipe, 1 3 1/2" hyd. Jars, TIH w/130 JNTs 2 7/8" N80															
			N80 TBG. Tag @ 4218'															
14:00	15:30	1:30	Wash down 2 JNTs to 4294'. Circ. Up big pieces of dehydrated mud															
15:30	16:00	0:30	Circ. Hole clean															
16:00	17:00	1:00	TOOH stand back 132 JNTs TBG, 2 JNTs wash pipe, LD 1 JNT WP & jars															
17:00	18:00	1:00	Secure well, Drain equipment, SDFN															
Accidents? No			Description: None															

DAILY INVOICE DOCUMENTATION						
DATE	INV/DEL TK. #	VENDOR / SERVICE	DESCRIPTION	PREVIOUS	DAILY	CUMM
			ROAD/LOCATION EXP.			
		Yetter	COMPL. W/O RIG/COIL	\$4,000	\$2,450	\$6,450
		Schneider Energy	SUPV. CONSULTANT	\$900	\$450	\$1,350
			ROUSTABOUT			
			MUD & CHEMICALS			
			COMPLETION FLUIDS	\$650		\$650
			NITROGEN SERVICE			
			BITS, MILLS & SUPPLIES			
			TRANSPORTATION - TRUCKING	\$550		\$550
			VACUUM TRUCK/HOT OIL SERV			
			STIMULATION			
			POWER, FUEL & WATER			
			SPECIAL SERVICES			
			CEMENT & SERVICE			
			RENTALS			
		Basic	FISHING TOOLS / FISHING TOOL CONSULTANT		\$7,900	\$7,900
			LOGGING-ELEC LINE	\$2,750		\$2,750
			PERFORATING			
			MISC WIRE LINE (SLICKLINE)			
			WELL / TEST SURVEY			
			PLUGGING COSTS			
			CONTINGENCIES			
			TUBING TESTING			
			ANCHOR TESTING			
			TOT INTANGIBLE COSTS	\$8,850	\$10,800	\$19,650
			PACKERS/NIPPLES/ETC			
			TUBING			
			WELLHEAD EQ			
			PRODUCTION EQ			
			TOT TANGIBLE COSTS			
			TOTAL	\$8,850	\$10,800	\$19,650

Merchant Energy Partners						REPORT NO.		21		DATE:		12/2/2010			
LEASE:				Schwake		WELL NO.		A3		AFE/PROJ.NO.					
FIELD:		West Peetz		COUNTY/PARISH:		Logan						STATE: CO			
PRESENT OPERATION:															
DAILY COST: \$				\$21,600		CUMM. COST:		\$144,750							
REPORTED BY:				Kelley Reinhardt				CONTRACTOR REP:		Rick Null					
PHONE				970-441-0036				CONTRACTOR/RIG #:		Key 60					
PRODUCTION CASING								TUBING							
SIZE:		5 1/2	WT:	15.50	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
SIZE:			WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
EQUIPMENT DATA															
PACKER(S)MFG/MODEL								SETTING DEPTH:				ID:	0.00		
PACKER(S)MFG/MODEL								SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL				Csg. patch @ 4148'.				SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL								SETTING DEPTH:				ID:	0.00		
TBG HD/FLANGE:MFG/MODEL								SIZE:				WP	0		
PRESENT PERFS:								ELEVATION RKB TO BHF:				0			
SMALLEST I.D.:				0.000		DEPTH:				PBDT:		0			
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)											
6:00		7:00		1:00		Circ. Hole clean									
7:00		8:00		1:00		LD power swivel, 8 JNTs 2 7/8" N-8 TBG									
8:00		10:30		2:30		TOOH 128 JNTs 2 7/8" N-80 TBG, X over,4 3 1/2" DC, 4 3/4" blade bit. Blade bit looked good, 2 of 3 ports plugged w/dehydrated mud.									
10:30		14:00		3:30		TIH w/4 3/4" finger basket, 2 JNTs 4 1/2" WP, bumper sub, jars,X over 4 3 1/2" DC 128 JNTs 2 7/8" N-80 TBG, Tag @ 4090'									
14:00		15:00		1:00		PU power swivel, break circ. MW 8.9 Vis 37									
15:00		16:00		1:00		Work pipe @ 4090' losing fluid, 70BBLs in 30 min.									
16:00		18:00		2:00		Recondition mud w/12 sacks LCM, 30 sacks gel.									
18:00		19:00		1:00		Finish up mixing mud, start working pipe. Mud WT 8.7 Vis 34									
19:00		20:30		1:30		Work pipe w/ jt # 128 @ 4092' losing fluid, 90BBLs.Add 4 bags LCM.									
20:30		22:00		1:30		Recondition mud w/17 sacks gel.									
22:00		0:45		2:45		LD swivel,TOOH 128 jts 2 7/8" N-80 TBG, 4 3 1/2 DC x/over, jars, bumper sub, 2 jts 4 1/2 WP, & 4 3/4 finger basket									
0:45		3:00		2:45		Pick up new 4 3/4 tir cone rock bit, x/over 4 jts DC, x/over 128 jts 2 7/8 N -80 TBG, Tag w/ 10' out on jt 128, PU power swivel, break circ, start drilling down.									
3:00		4:00		1:00		Ream down jts # 128, 129, small bridge on jt 128.									
4:00		6:00		2:00		Ream down jts 130 hit tight spot w/ 2' out @ 4090'.									
Accidents? No				Description:		None									
DAILY INVOICE DOCUMENTATION															
DATE		INV/DEL TK. #		VENDOR / SERVICE				DESCRIPTION		PREVIOUS		DAILY		CUMM	
								ROAD/LOCATION EXP.							
				Key				COMPL. W/O RIG/COIL		\$81,000		\$10,500		\$91,500	
				Schneider Energy				SUPV. CONSULTANT		\$17,550		\$1,800		\$19,350	
								ROUSTABOUT		\$750				\$750	
								MUD & CHEMICALS		\$2,250				\$2,250	
								COMPLETION FLUIDS		\$1,100				\$1,100	
								NITROGEN SERVICE							
								BITS, MILLS & SUPPLIES							
								TRANSPORTATION - TRUCKING		\$550				\$550	
								VACUUM TRUCK/HOT OIL SERV							
								STIMULATION							
								POWER, FUEL & WATER							
								SPECIAL SERVICES							
								CEMENT & SERVICE		\$4,250				\$4,250	
				Basic/Schneider-light plants				RENTALS		\$2,800		\$9,300		\$12,100	
								FISHING TOOLS / FISHING TOOL CONSULTANT		\$10,150				\$10,150	
								LOGGING-ELEC LINE		\$2,750				\$2,750	
								PERFORATING							
								MISC WIRE LINE (SLICKLINE)							
								WELL / TEST SURVEY							
								PLUGGING COSTS							
								CONTINGENCIES							
								TUBING TESTING							
								ANCHOR TESTING							
								TOT INTANGIBLE COSTS		\$123,150		\$21,600		\$144,750	
								PACKERS/NIPPLES/ETC							
								TUBING							
								WELLHEAD EQ							
								PRODUCTION EQ							
								TOT TANGIBLE COSTS							
								TOTAL		\$123,150		\$21,600		\$144,750	

Merchant Energy Partners						REPORT NO.		22		DATE:		12/3/2010			
LEASE:				Schwake		WELL NO.		A3		AFE/PROJ.NO.					
FIELD:		West Peetz		COUNTY/PARISH:		Logan						STATE: co			
PRESENT OPERATION:															
DAILY COST: \$				\$16,990		CUMM. COST:		\$161,740							
REPORTED BY:				Kelley Reinhardt		CONTRACTOR REP:		Rick Null							
PHONE				970-441-0036		CONTRACTOR/RIG #:		Key 60							
PRODUCTION CASING								TUBING							
SIZE:		5 1/2	WT:	15.50	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
SIZE:			WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
EQUIPMENT DATA															
PACKER(S)MFG/MODEL								SETTING DEPTH:				ID:	0.00		
PACKER(S)MFG/MODEL								SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL				Csg. patch @ 4148'.				SETTING DEPTH:				ID:	0.00		
NIPPLES: TYPE/MODEL								SETTING DEPTH:				ID:	0.00		
TBG HD/FLANGE:MFG/MODEL								SIZE:				WP	0		
PRESENT PERFS:								ELEVATION RKB TO BHF:				0			
SMALLEST I.D.:				0.000		DEPTH:				PBDT:		0			
ACTIVITY SUMMARY				(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)											
6:00		7:00		1:00		With JNT 135 drilling @ 4090' not making hole or getting any returns.									
7:00		8:00		1:00		LD power swivel, RU TBG equipment									
8:00		13:00		5:00		TOOH LD 130 JNTs 2 7/8" N-80 TBG, 4 3 1/2" DC, 4 3/4" rock bit. Center teeth on bit									
						broke off,plugged w/dehydrated mud, w/ a piece of grapple stuck in bit.									
13:00		15:00		2:00		RD rig floor, NDBOP, NDTH, NU 15' CSG sub									
15:00		16:00		1:00		Latch on to 5 1/2" CSG pull 52'000 over string WT, weld on straps to CSG bell nipple									
						and CSG sub									
16:00		17:00		1:00		Pull 150'000 on 5 1/2" CSG getting 1" of stretch. Caculating pipe stuck @ 550'									
17:00		18:00		1:00		Land CSG back into CSG slips.Cut straps off CSG, RU to run 1" down backside.									
18:00		18:30		0:30		Run in 17 jts 1"pipe down back side 5 1/2, tag bridge at 534 w/ 10' out of hole.									
						Start washing 1" down hole.									
18:30		19:00		0:30		Wash on bridge @ 544', pump quit, mud to heavy circulate mud tanks.									
19:00		20:00		1:00		Wash down w/ jt # 18 @ 576'.									
20:00		21:30		1:30		Wash down w/ jt # 19 @ 608'.									
21:30		22:45		1:15		Wash down w/ jt # 20 @ 640'.									
22:45		1:15		2:30		Wash down w/ jt # 21 @ 672'.Run out fluid , had pump from pit to tanks.									
1:15		1:30		0:15		Wash down w/ jt # 22 @ 704'.									
1:30		1:45		0:15		Wash down w/ jt # 23 @ 736'.									
1:45		1:55		0:10		Wash down w/ jt # 24 @ 768'.									
1:55		4:00		2:05		Circulate well 1 hour, TOO H w/ 24 jts 1"pipe.									
4:00		5:30		1:30		Put on landing nipple, weld on straps to CSG bell and CSG sub.									
5:30		6:00		0:30		Latch on 5 1/2,pull up to get slips out.									
Accidents? No				Description:		None									
DAILY INVOICE DOCUMENTATION															
DATE		INV/DEL TK. #		VENDOR / SERVICE				DESCRIPTION		PREVIOUS		DAILY		CUMM	
								ROAD/LOCATION EXP.							
				Key				COMPL. W/O RIG/COIL		\$91,500		\$10,500		\$102,000	
				Schneider Energy				SUPV. CONSULTANT		\$19,350		\$1,800		\$21,150	
				Gardners Gofer				ROUSTABOUT		\$750		\$950		\$1,700	
								MUD & CHEMICALS		\$2,250				\$2,250	
								COMPLETION FLUIDS		\$1,100				\$1,100	
								NITROGEN SERVICE							
								BITS, MILLS & SUPPLIES							
								TRANSPORTATION - TRUCKING		\$550				\$550	
								VACUUM TRUCK/HOT OIL SERV							
								STIMULATION							
								POWER, FUEL & WATER							
								SPECIAL SERVICES							
								CEMENT & SERVICE		\$4,250				\$4,250	
				Basic/Schneider-Light plants				RENTALS		\$12,100		\$3,740		\$15,840	
								FISHING TOOLS / FISHING TOOL CONSULTANT		\$10,150				\$10,150	
								LOGGING-ELEC LINE		\$2,750				\$2,750	
								PERFORATING							
								MISC WIRE LINE (SLICKLINE)							
								WELL / TEST SURVEY							
								PLUGGING COSTS							
								CONTINGENCIES							
								TUBING TESTING							
								ANCHOR TESTING							
								TOT INTANGIBLE COSTS		\$144,750		\$16,990		\$161,740	
								PACKERS/NIPPLES/ETC							
								TUBING							
								WELLHEAD EQ							
								PRODUCTION EQ							
								TOT TANGIBLE COSTS							
								TOTAL		\$144,750		\$16,990		\$161,740	

Merchant Energy Partners						REPORT NO.		27		DATE:		12/9/2010			
LEASE:				Schwake		WELL NO.		A3		AFE/PROJ.NO.					
FIELD:		West Peetz			COUNTY/PARISH:		Logan					STATE:		CO	
PRESENT OPERATION:				P&A											
DAILY COST: \$				\$33,416			CUMM. COST:		\$217,086						
REPORTED BY:				Kelley Reinhardt			CONTRACTOR REP:		Rick Null						
PHONE				970-441-0036			CONTRACTOR/RIG #:		Key 60						
PRODUCTION CASING							TUBING								
SIZE:		5 1/2	WT:	15.50	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
SIZE:			WT:	0.00	DEPTH:	0	ID:	0.00	SIZE:		0	WT:	0.00	ID:	0.00
EQUIPMENT DATA															
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:	0.00			
PACKER(S)MFG/MODEL							SETTING DEPTH:				ID:	0.00			
NIPPLES: TYPE/MODEL				Csg. patch @ 4148'.			SETTING DEPTH:				ID:	0.00			
NIPPLES: TYPE/MODEL							SETTING DEPTH:				ID:	0.00			
TBG HD/FLANGE:MFG/MODEL							SIZE:				WP	0			
PRESENT PERFS:							ELEVATION RKB TO BHF:				0				
SMALLEST I.D.:				0.000	DEPTH:			PBDT:		0					
ACTIVITY SUMMARY			(CHRONOLOGICAL ORDER OF EVENTS FOR THE PAST 24HR.)												
6:00	7:00	1:00	Crew travel start equipment hold JSA												
7:00	8:00	1:00	TIH tag @ 3660' w/120 JNTs RU to cir.												
8:00	9:30	1:30	Circ. Down to 4150' w/ 134 JNTs 2 7/8" TBG												
9:30	10:30	1:00	MIRU Sanjel, hold safety meeting, press. Test lines to 1500#												
10:30	11:00	0:30	Mix and pump 100 sacks class G + additives 1% 15.8 PPG slurry,pump 18.5 BBL DSPT												
11:00	11:30	0:30	TOOH 20 stands to the derrick, reverse circ. TBG clean												
11:30	14:00	2:30	Wait on cement to set up to tag plug												
14:00	14:30	0:30	TIH tag cement @ 3492' w/119 JNTs TBG												
14:30	16:30	2:00	TOOH LD 119 JNTsTBG												
16:30	17:00	0:30	MIRU J-W wireline, RIH w/3 1/8" slick gun shoot squeeze holes 1425'-1427',POOH												
17:00	18:00	1:00	TIH w/45 JNTs 2 7/8" TBG, 5 1/2" cement retainer, set retainer @ 1390', sting into												
18:00	18:30	0:30	RU Sanjel, pump 10 BBL H2O est. rate @ 750#, mix and pump 75 sacks class G + add.												
			1%, 15.8 PPG sluury, pump 7 BBL displacement												
18:30	19:30	1:00	Sting out of retainer, TOOHD stand back 4 stands LD 36 JNTs 2 7/8" TBG												
19:30	20:00	0:30	RU J-W, RIH w/3 1/8" slick gun shoot squeeze holes @ 298'-300', POOH, RDMO J-W												
20:00	20:30	0:30	PU 5 1/2" cement retainer, 9 JNTs 2 7/8" TBg set retainer @ 280', Sting into.												
20:30	21:00	0:30	RD rig floor, NDBOP, RU rig floor, RU TBG equipment												
21:00	21:30	0:30	RU Sanjel, pump 20 BBL H2O est. circ. @ 250#, mix and pump 100 sacks class G + add.												
			Circ up to surface, sting out of reatainer. Pump 20 sacks.												
21:30	22:30	1:00	TOOH LD 9 JNTs 2 7/8" TBG,clean up equipment. Rig crew SDFN												
22:30	23:30	1:00	Sanjel wash up,RDMO												
			Note: Bottom cement plug 4150'-3492'												
Accidents? No			Description: None												
DAILY INVOICE DOCUMENTATION															
DATE		INV/DEL TK. #		VENDOR / SERVICE		DESCRIPTION		PREVIOUS		DAILY		CUMM			
						ROAD/LOCATION EXP.									
				Key		COMPL. W/O RIG/COIL		\$114,950		\$6,950		\$121,900			
				Schneider Energy		SUPV. CONSULTANT		\$24,750		\$900		\$25,650			
						ROUSTABOUT		\$3,180				\$3,180			
						MUD & CHEMICALS		\$2,250				\$2,250			
						COMPLETION FLUIDS		\$1,100				\$1,100			
						NITROGEN SERVICE									
						BITS, MILLS & SUPPLIES									
						TRANSPORTATION - TRUCKING		\$550				\$550			
						VACUUM TRUCK/HOT OIL SERV									
						STIMULATION									
						POWER, FUEL & WATER									
						SPECIAL SERVICES		\$2,150				\$2,150			
				Sanjel		CEMENT & SERVICE		\$4,250		\$16,945		\$21,195			
						RENTALS		\$17,590				\$17,590			
						FISHING TOOLS / FISHING TOOL CONSULTANT		\$10,150				\$10,150			
						LOGGING-ELEC LINE		\$2,750				\$2,750			
				J-W Wireline		PERFORATING				\$3,650		\$3,650			
						MISC WIRE LINE (SLICKLINE)									
						WELL / TEST SURVEY									
				RMOR		PLUGGING COSTS				\$4,971		\$4,971			
						CONTINGENCIES									
						TUBING TESTING									
						ANCHOR TESTING									
						TOT INTANGIBLE COSTS		\$183,670		\$33,416		\$217,086			
						PACKERS/NIPPLES/ETC									
						TUBING									
						WELLHEAD EQ									
						PRODUCTION EQ									
						TOT TANGIBLE COSTS									
						TOTAL		\$183,670		\$33,416		\$217,086			

