

FIELD NOTES
APRIL 2009

Browning / Destiny

- February 26, 2009 – The LB #14 was perforated and treated. Crews are cleaning up wells and will be working to equalize well pressures and conduct pressure tests.
- February 27, 2009 – The LB #12 was perforated and treated. Crews are cleaning up wells and will be working to equalize well pressures and conduct pressure tests.
- March 1, 2009 - Phoenix drill crew moved drill rig onto the LB #10 location, spudded well and set conductor casing
- March 30, 2009 – LB #10- Haliburton Energy Services will perform a gel-job to stop water from entering formation. Once job is declared a success, crews will re-enter hole and finish drilling hole to total depth.
- April 3, 2009 – Halliburton Energy Services performed a “squeeze job on the LB #10
- April 6 2009 – Phoenix drill rig #9 will re-enter bore hole and pick up drilling on the LB #10 @ depth of 3000’. Drillers will attempt to side-track around hammer stuck in hole.
- April 7, 2009 –Phoenix drill crew were finally able to re-enter the LB 10 and pick up drilling. (Approximately 11 hours to side track around lost hammer)
- April 10, 2009 – LB 10, drillers reached a total depth of 3965’. Gas log simultaneously ran. Gas log shows this is a typical Devonian gas well.
- April 11, 2009 – LB 10 Superior Well Services cemented production casing
- April 23, 2009 – LB 10, treated. 3,000,000 scf/nitrogen (first stage). 2,500,000 second stage.
- April 24, 2009 – LB #10 Clean-up of frac job. Shut in over weekend.
- April 22, 2009 – Installing 6400 series meter for a master meter. The meter that had been installed was a micro flow. This particular meter did not have the analog inputs that were needed for the dehy and glycol. The 6300 series will be moved to the LB 10 location.
- April 27, 2009 – Vernon and Mike are looking into the cost of a “nitrogen catcher”. We are trying to avoid loosing so much gas during the clean up stage.

Browning / Horizon

- March 11, 2009 – Browning Compressor was delivered and set into place along with the dehydration unit.
- March 14, 2009 – LB #10 Drillers reached a depth of around 3570’ before encountering a stream of water inhibiting drilling process.
- March 25, 2009 – Electronic Flow meters were installed on the 8 Horizon wells located on Browning Mountain.
- March 26, 2009 – Road bore crew began under Highway 25
- April 6, 2009 – All meter runs installed
- April 8, 2009 – Production site completed
- April 19, 2009 – Road bore completed. Crews worked to pull casing back through the bore and will tie casing into production line. As weather permits, crews will work on the completion phases of the pipeline including the installation of the Delta Natural Gas sales meter, construction of the last 200 feet of the steel transmission line and construct the Delta Natural Gas tap.
- April 27, 2009 – finish laying 4” to proposed location of sales meter (Delta will be on site this week to inspect work)
- April 27, 2009 – Cleaning up wells.

ACH / Horizon / Succession

- April 8, 2009 – Crews have made necessary repairs to the discharge lines at the production site and have replaced the dump valve on the separator. The repairs on the lines have been completed and the new valve is presently in good working condition.
- April 20, 2009 – Chimney Rock crew to deliver storage building to ACH.
- April 22, 2009 – A High/Low regulator for the compressor station will be installed. The installation of a high/low regulator is due to the fact that there is high-pressure gas moving through a residential area and is considered a preventative safety measure.
- April 24, 2009 – Called Ryan Carnes to re-set meters on ACH. (Silas's son)
- April 27, 2009 – 2R and 4R are not reading must re-set and pull data. Requesting data from 1R and 3R re-set meters Saturday, April 24, 2009

OLE / Vista / Progression / Succession / Exclusive

- February 25, 2009 - Mammoth crews have completed constructing a shed over the OLE compressor site in efforts to protect the compressor from inclement weather.
- April 6, 2009 – Roadways from the #5 well to the #14 well are under construction. (Flooding rains had made road impassable)
- April 7, 2009 – installed new master meter
- April 20, 2009 – Repairs have been made to a leak in the discharge line on the dehydration unit. The Dehydration unit is now in good working order and running properly.

Chimney Rock / Phase 1 / Destiny

- March 23, 2009 – MFS representative, Dan Brown, met with Derek Hina @ Universal well services. – Met on site 03/30/09 for review of well treatments.
- April 6, 2009 – GPS'd well sites on Chimney Rock
- April 7, 2009 – Gravel on MRP #5
- April 10, 2009 – Completed mapping of wells and pipeline (X MAP)
- April 21, 2009 – Mailed additional info Derek Hina had been waiting for.

**Crews have had since March 23, 2009 to begin and complete excavation of sites on the MRP #12, MRP #16, and MRP #5.

Pioneer

- March 3, 2009 – verbal from archeologist site: site 5 clear /
- March 30, 2009 – Received biological / environmental review and report on the DBNFS
- April 20, 2009 – Hand delivered Plan of Ops to Red Bird / London Ranger districts