Report No: 38

Project Manager: Michael Moore

Cost Incurred to Date: $4,461,983.63

State: OR

County: Deschutes

Report For 09:00 AM November 1st, 2012

Well ID: 55-29

Well Name: Newberry 55-29

Field: Newberry

Report No: 38

Report For 09:00 AM November 1st, 2012

Well ID: 55-29

Well Name: Newberry 55-29

Field: Newberry

Report No: 38

Report For 09:00 AM November 1st, 2012

Well ID: 55-29

Well Name: Newberry 55-29

Field: Newberry

Report No: 38

Report For 09:00 AM November 1st, 2012

Well ID: 55-29

Well Name: Newberry 55-29

Field: Newberry

Report No: 38

Report For 09:00 AM November 1st, 2012

Well ID: 55-29

Well Name: Newberry 55-29

Field: Newberry

Operations Summary for Oct. 31st

<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Elapsed</th>
<th>Code</th>
<th>Operations Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0:00</td>
<td>9:35</td>
<td>9.58</td>
<td>134.000</td>
<td>Pumping water overnight at 112 gpm downhole and 50 Hz. Wellhead pressure at 1884 psi and surface temp. at 56 F. Few small seismic events to be analyzed.</td>
</tr>
<tr>
<td>9:35</td>
<td>16:08</td>
<td>6.55</td>
<td>134.000</td>
<td>Ramped up stim pumps 1 and 2 to 57.3 and 52.7 Hz, respectively. Wellhead pressure up to 2004 psi and flow downhole at 120 gpm. SNW continued demobilizing equipment.</td>
</tr>
<tr>
<td>20:30</td>
<td>23:59</td>
<td>3.48</td>
<td>134.000</td>
<td>Stim pumps 1 and 2 stable at 57.8 and 52.8 Hz. WHP at 2001 psi and 118 gpm downhole. One small possible seismic event occurring at 23:48 needs analysis to verify.</td>
</tr>
</tbody>
</table>

Field Tickets:

<table>
<thead>
<tr>
<th>Activity Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Max. wellhead pressure reached today: 2009 psi</td>
</tr>
<tr>
<td>Max. flow through pumps before bypass: 900 gpm</td>
</tr>
<tr>
<td>Max. flow downhole: 123 gpm</td>
</tr>
<tr>
<td>Volume pumped down hole today: 162,397 gal.</td>
</tr>
<tr>
<td>Total injected volume: 1,017,635 gal.</td>
</tr>
</tbody>
</table>

Entered: 10/30/2012