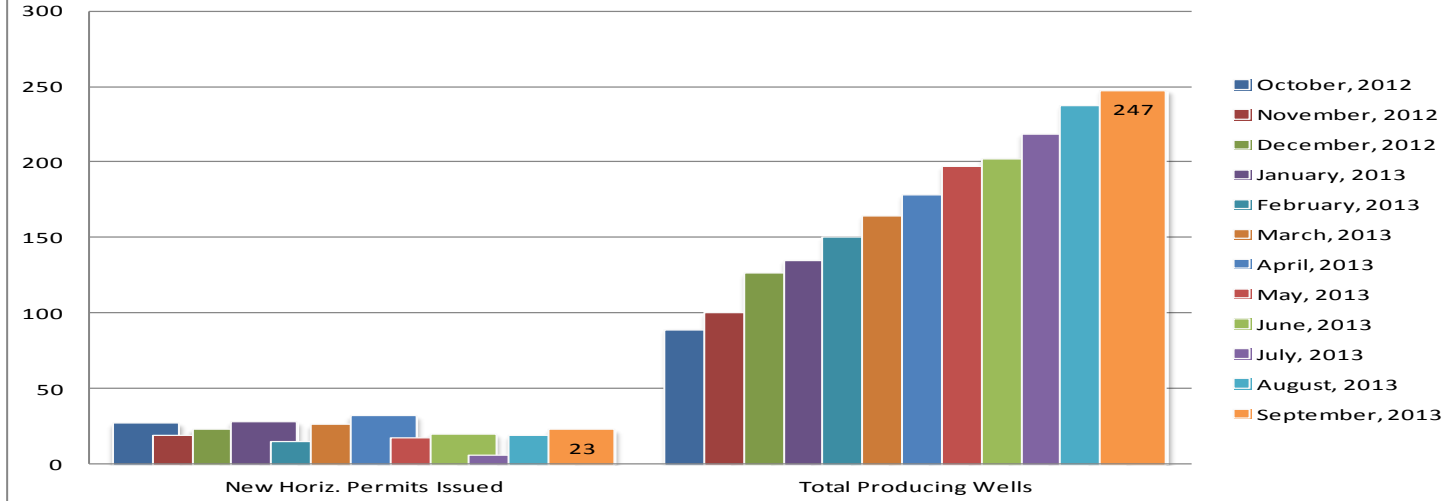


## September, 2013 Update - Horizontal Wells in Kansas



New permits issued for horizontal wells state-wide in September increased by 4 from the prior month. New permits have continued to fluctuate throughout the last year.

The issuance of 23 horizontal permits in September is above the 12-month average of 21 new horizontal permits. September permits are slightly below the year-over-year figure of 24 horizontal permits issued in September, 2012.

Ten additional horizontal wells entered production in September which is below the twelve-month average of 14 additional horizontal wells entering production each month.

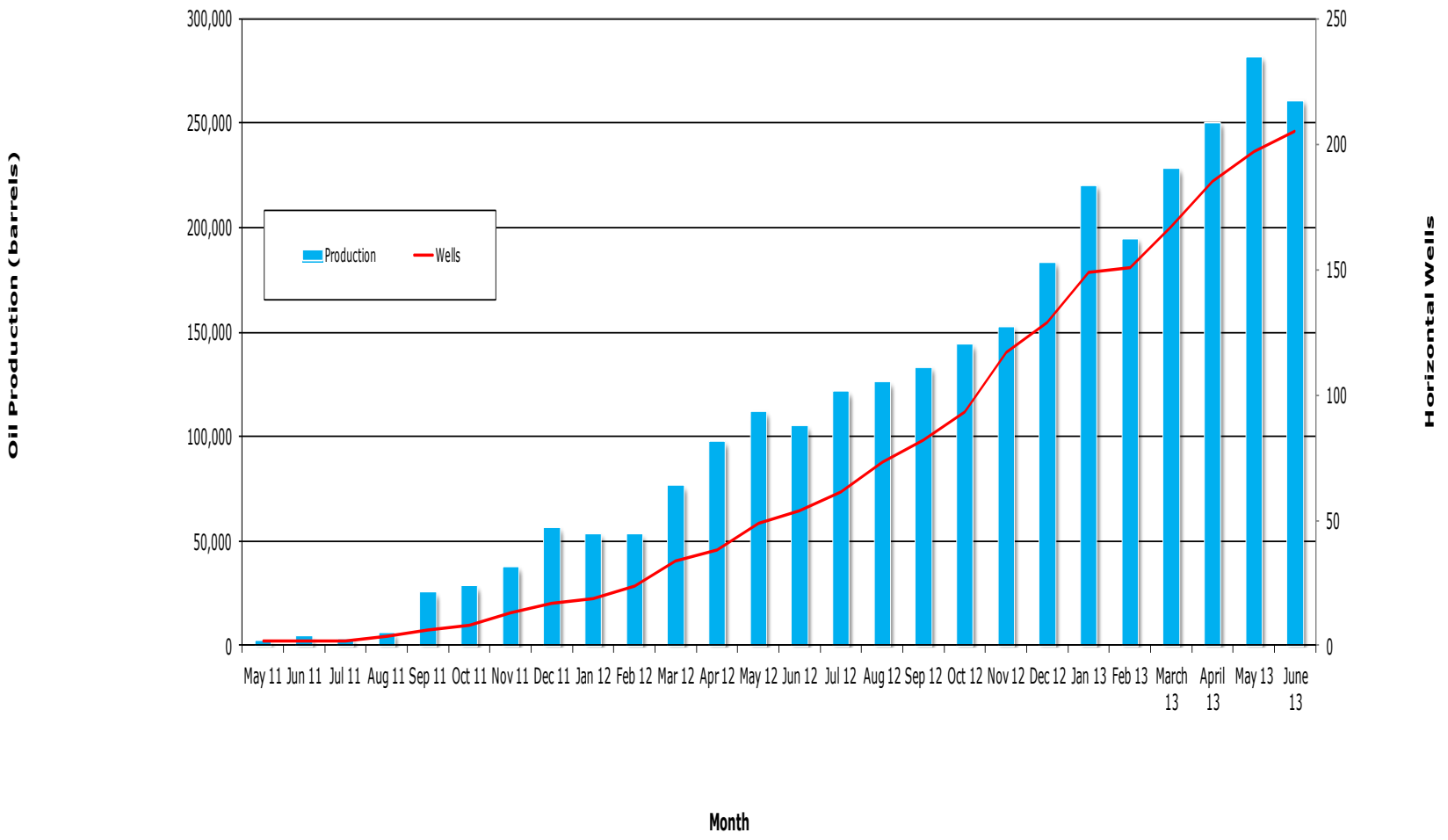
At month's end, a total of 53 wells have been permitted without any drilling activity taking place. This is a decrease from August's total of 58 wells, and is below the twelve-month average of 65 permitted but undrilled wells.

September ended with a total of 65 spudded wells, an increase of 11 wells from August and below the twelve-month average of 77 spudded wells.

Horizontal Oil & Gas Wells • State of Kansas • End-of-Month Status						
Month	New Permits	Permitted/Undrilled	Spudded	Drilled	Total Producing	Total
October, 2012	27	72	103	46	89	310
November, 2012	19	68	104	55	100	327
December, 2012	23	64	77	77	126	344
January, 2013	28	73	79	79	135	366
February, 2013	15	68	76	81	150	375
March, 2013	26	64	78	90	164	396
April, 2013	32	68	83	79	178	408
May, 2013	17	66	67	76	197	406
June, 2013	20	69	73	64	202	408
July, 2013	6	59	63	59	218	399
August, 2013	19	58	54	57	237	406
September 2013	23	53	65	52	247	417

"Spudded" means that drilling has commenced but not yet been completed. Not all drilled wells will be completed or enter production.

Combined Graph of Oil Production (left axis) and Horizontal Wells (right axis) in Mississippi Lime Play (May 2011 - June 2013)



Combined Graph of Gas Production (left axis) and Horizontal Wells (right axis) in Mississippi Lime Play (May 2011-June 2013)

