



KM PRODUCTION COMPANY
P.O. Box 2406
Farmington, NM 87401
(505) 325-6900

MALLON OIL COMPANY
Davis Fed Com 3-15
Section 3, T25N, R2W
Rio Arriba County, New Mexico

Daily Report

7/31/86 Spud well at 9:45 a.m. 7/30/86. Drilled 275 ft of 12 $\frac{1}{4}$ " surface hole. Ran 6 jts of 9-5/8" casing (258') and set at 271' RKB. Rigged up Dowell. Cemented surface with 236 ft³ (200 sx) Class B cement with 2% CaCl₂. Good circulation throughout job. Circulated cement to the surface. Plug down at 9:45 p.m. 7/30/86. WOC.

8/1/86 Drilling @ 1369'. Mud wt 9.2, Visc. 35, W.L. 10.0. $\frac{1}{2}$ ° @ 623', $\frac{1}{2}$ ° @ 1146'.

8/2/86 Drilling @ 2676'. Mud wt 9.2, Visc. 46, W.L. 7.2. 3/4° @ 1607', 1° @ 1911', 3/4° @ 2220'.

8/3/86 Drilling @ 3560'. Mud wt 9.3, Visc. 38, W.L. 8.4. $\frac{1}{2}$ ° @ 2777', $\frac{1}{2}$ ° @ 3301'.

8/4/86 Drilling @ 3850'. Mud wt 9.2, Visc. 37, W.L. 6.8. $\frac{1}{2}$ ° @ 3791'.

8/5/86 Drilling @ 3951'. Mud wt 9.3, Visc. 55, W.L. 6.2.

8/6/86 Drilling @ 4150'. Mud wt 8.8, Visc. 43, W.L. 6.4.

8/7/86 Drilling @ 4654'. Mud wt 9.2, Visc. 38, W.L. 7.0.

8/8/86 Drilling @ 5057'. Mud wt 9.2, Visc. 40, W.L. 7.6.

8/9/86 Drilling @ 5355'. Mud wt 9.0, Visc. 50, W.L. 8.2.

8/10/86 Depth 5355'. Rig Repair.

8/11/86 Drilling @ 5625'. Mud wt 8.9, Visc. 40, W.L. 6.4.

8/12/86 Drilling @ 5980'. Mud wt 9.0, Visc. 40, W.L. 8.0. 1° @ 5664'.

8/13/86 Drilling @ 6227'. Mud wt 8.7, Visc. 50, W.L. 6.6.

8/14/86 Drilling @ 6280'. Mud wt 8.8, Visc. 41, W.L. 7.4.

8/15/86 Drilling @ 6847'. Mud wt 8.9, Visc. 40, W.L. 7.8. 3/4° @ 6340', 3° @ 6835'.

8/16/86 Drilling @ 6891'. Mud wt. 9.0, Visc. 46, W.L. 6.4. 3½° @ 6895'

8/17/86 Drilling @ 7078'. Mud wt 9.0, Visc. 48, W.L. 6.4. 2-3/4° @ 7017'.
2¼° @ 7078'.

8/18/86 Depth 7078'. Reaming to bottom with core bit.

8/19/86 Depth 7138'. Trip in hole with core bbl. Mud wt 9.2, Visc. 75,
W.L. 5.6. Recovered 60' core.

8/20/86 Depth 7258'. Trip out of hole with core #3. Mud wt 9.2, Visc. 52,
W.L. 5.8.

8/21/86 Depth 7274'. Trip out with core #5. Mud wt 9.0, Visc. 45, W.L.
7.0.

8/22/86 Depth @ 7349'. Coring. Mud wt. 9.2, Visc. 37, W.L. 7.2.

CORING SUMMARY

Core #	Interval	Cored	Hrs	Ft/Hr	Rec	Cum Rec
1	7078-7138	60'	8½	7.3	60'	60'
2	7138-7198	100'	4	15.0	60'	120'
3	7198-7258	60'	6½	9.6	60'	180'
4	7258-7261	3'	3	1.0	2'	182'
5	7261-7274	13'	3½	3.7	13'	195'
6	7274-7334	60'	4	15.0	60'	255'
7	7334-7366	32'	4	8.0	32'	287'
8	7366-7416	50'	7	7.1	50'	337'
		<u>338'</u>	<u>40</u>	<u>8.5</u>	<u>337'</u>	

8/24/86 Drilling @ 7602'. Mud wt 9.0, Visc. 42, W.L. 6.8. 2° @ 7447'.

8/25/86 Drilling @ 7915'. Mud wt. 9.1, Visc. 42, W.L. 6.4. 1° @ 7695'.

8/26/86 Drilling 2 8139'. Mud wt. 9.2, Visc. 39, W.L. 7.6.

8/27/86 T.D. well at 8277 ft @ 10:30 p.m. 8/26/86. (3 feet short due to slow drilling) Circulate and condition mud 1½ hours. Short trip 20 stands. 1st 4 stands tight. Hit 2 bridges, 10 feet of fill. Start to circulate. Lost circulation. Pull 10 stands. Mid mud work on loss circulation. Lost 450 bbls of mud.

8/28/86 Work on loss circulation. Circulate and condition hole. Short trip 20 stands. (3 tight places, 2 bridges, 10 feet of fill on bottom) Circulate 1½ hours. Trip out of hole. Rig up Welex. Induction Sonic lob stopped at 6010' (Pt. Lookout). Took sonic tool off. Drillpipe worked through bridge at 6000'. Had 6 feet fill on bottom. Trip out of hole to log.

- 8/29/86 Rigged up Welex. Ran Induction, Sonic, Neutron-Density and Dipmeter logs from loggers TD of 8253' RKB. Trip in hole with drillpipe. Circulate 30 feet of fill on bottom. Lay down drillpipe.
- 8/30/86 Finish laydown drillpipe and collars. Run 5½" casing as follows:

<u>DESCRIPTION</u>	<u>LENGTH</u>	<u>DEPTH</u>
KB to landing point	11.00	0-11
1 cutoff joint of 5½" 17#/ft J-55 new casing	15.31	11-26
96 jts 5½" 17#/ft J-55 new casing	3837.53	26-3864
1 upper D.V. tool	3.10	3864-3867
57 jts 5½" 173/ft J-55 new casing	2284.32	3867-6151
1 lower DV tool	3.10	6151-6154
52 jts 5½" 17#/ft J-55 new casing	2078.03	6154-8232
1 D.F.F.C.	1.63	8232-8234
1 jt 5½" 17#/ft J-55 new casing	42.13	8234-8276
1 guide shoe	.85	8276-8277
	<u>8277.00</u>	

Upper D.V. @ 3864, Lower D.V. @ 6151, D.F.F.C. @ 8232.

Centralizers at 8255, 8111, 8028, 7946, 7540, 7414, 7292, 7209, 7090, 7012, 6928, 6813, 6194, 6111, 3907 & 3824.

Landed casing. Tried to circulate. Got very little returns. Had to build volume. Casing got stuck. Pumped pill of 200 bbls 10% LCM down pipe, no returns. Pumped 150 bbls of 25% LCM, no returns. Calculated freepoint of casing at 1650 ft. rigged up Halliburton. Pumped 15 bbls of water ahead. Pumped 630 ft³ (500 sx) of 50-50 pozmix with 2% gel, 10% salt, 5# gilsonite/sx, and ¼# flocele/sx. No returns throughout job. Did not bump plug. Float held OK. Plug down @ 9:45 p.m. 8/29/86. Dropped bomb to open lower D.V. tool. Opened tool with 1200 psi. Tried to circulate. Could not establish circulation to the surface. Waited 3 hours. Pumped 20 bbls of water. Pumped 2nd stage cement of 206 ft³ (100 sx) Class B cement with 2% econolite, 5# gilsonite/sx and ¼# flocele/sx tailed by 284 ft³ (225 sx) 50-50 pozmix with 2% gel, 10% salt, 5# gilsonite/sx and ¼# flocele/sx. No circulation throughout job. bumped plug to 2500 psi. Held OK. Plug down at 2:30 a.m. 8/30/86. Dropped bomb to open upper D.V. tool. Opened tool with 1200 psi. Tried to circulate. Could not establish circulation to the surface. Waited 3 hours. Pumped 20 bbls of water. Pumped 3rd stage cement of 515 ft³ (250 sx) Class B cement containing 2% econolite, 5# gilsonite/sx, and ¼# flocele/sx tailed by 158 ft³ (125 sx) 50-50 pozmix containing 2% gel, 10% salt 5# gilsonite/sx and ¼# flocele/sx. No circulation throughout job. Bumped plug to 2500 psi. Held OK. Plug down at 6:15 a.m. 8/30/86. Set slips, cutoff casing. Released rig at 11:00 a.m. 8/30/86. Wait on completion.