

STRAWN DST RESULTS

Directional Hole
542' to SW of
Surface Location

Straight Hole

Directional Hole
296' to NE of
Surface Location

Concho Resources - Cayuma #1

Cayuma #1-A
Cayuma Prospect
3580' FSL & 990' FWL
Sec 1, T16S, R36E
Lea County, New Mexico
GL 3879' KB 3894'

Manzano Oil Corporation
Phone: (505) 623-1996
Fax: (505) 623-2620
Dry Hole Cost \$222,900
Completion Cost 232,900
Total Est AFE \$455,800

DAILY DRILLING REPORT

4/29/99 DST #1: Strawn Interval 11,650-11,860' 2/04/2000 DST #1: Strawn Interval 11,590-11,666' = 76' Drilling Break 11643-656' = 13'

IH: 5733 psi
IF (45 min): 1083 - 1072 psi: Open tool w/very weak blow. Died in 7 min.
ISIP (1-1/2 hrs): 1072 psi: p* indeterminate.
FF (1-1/2 hrs): 1072 - 1063 psi: Open tool w/no blow.
FSIP (4-1/2 hrs): 1246 psi: p* indeterminate.
FH: 5660 psi
Pipe Recovery: 2407' of total fluid as follows:
(1) 940' of water blanket (ran 1656' of water blanket).
(2) 200' of muddy water.
(3) 1267' of drilling mud.
Sampler Recovery: Total recovery - 2000 cc consisting of 1008 drilling mud.
0.01 ft³ gas @ 900 psi.

Sampler Recovery:
Total recovery - 1300 cc consisting of 800 cc of 42° API gravity oil and 500 cc of heavy oil and gas cut mud. No fm wtr. 0.4 cu.ft. gas @ 130 psi. Reservoir temp 169° F.
Test was mechanically successful.
Total analysis this p.m.

Cayuma #1-A
Cayuma Prospect
3580' FSL & 990' FWL
Sec 1, T16S, R36E
Lea County, New Mexico
GL 3879' KB 3894'

Manzano Oil Corporation
Phone: (505) 623-1996
Fax: (505) 625-2620
Dry Hole Cost \$222,900
Completion Cost 232,900
Total Est AFE \$455,800

DAILY DRILLING REPORT

2/17/2000 DST #2: STRAWN 11,610-770' w/DRUG BKS 11,632-38' & 11,672-76'

IH: 5420 psi
IF (15 min): 113 psi -159 psi: Open tool on 1/8" bubble hose w/very strong blow. Had 6.4 psi in 5 min; 13 psi in 10 min and 18.5 psi in 15 min. Pressure broke over but building. Gas to surface 6 min after SI.
ISI (1-1/2 hrs): 3933 psi: p* 4050 psi (Hornor Plot).
FF (2 hrs): 126 psi - 299 psi: Open tool on 1/4" choke w/immid blow to bottom of bucket. Had 14.5 psi in 5 min; 18 psi in 10 min and 21-1/4 psi in 20 min. Incr approx 1-1/2 psi per 10 min until reaching 27 psi in 70 min. Max press 27-1/4 psi in 90 min. Last 15 min of flow period pressure was 26-3/4 psi to 27 psi. Avg gas rate at surface 61 MCFGPD.
Pressure building.
FSI (6 hrs): 3248 psi: p* 4000 psi (Hornor Plot).
FH: 5407 psi

Pipe Recovery: 871.8' (5.64 bbls) of total fluid as follows:
1. Top 83.5' (1.19 bbls) of free 43.2° gravity oil.
2. Middle 483.7' (2.96 bbls) of highly oil & gas cut mud.
3. Lower 304.6' (1.49 bbls) of sli oil & highly gas cut mud.
Sampler Recovery:
Total recovery - 1250 cc consisting of 1150cc of 43° API gravity oil and 100 cc of mud. No formation water. 1.09 cu.ft. gas @ 260 psi. Reservoir temp 165° F.

Test was mechanically successful.