

4/07/2014 DATE IN	SUSPENSE	MAM ENGINEER	4/05/2014 LOGGED IN	NSL TYPE	PMAM1409957416 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS
WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

- NSL
- DEVON ENERGY
Production Company, L.P.
6137

wey
Gachcho Unit 7H
30-25-34440

Pool
- Antelope
Ridge, Bone
Springs, west
2209

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kathy F. Blick
Print or Type Name - Kathy F. Blick

Signature

Land Advisor

Title

04/09/14

Date

Kathy.Blick@dmv.com

E-mail Address



Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, OK 73102

405 235 3611 Phone
www.devonenergy.com

April 30, 2014

New Mexico Oil Conservation Division
ATTENTION: Mr. Michael A. McMillan
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: Unorthodox Well Location Application
Gaucho Unit 7H
Township 22 South, Range 34 East
Section 17: SE/4 SW/4
Section 20: E/2 NW/4
Lea County, New Mexico
Containing 120 acres

Gentlemen:

This letter is to replace my original letter dated April 2, 2014, concerning the above-referenced Application. I have incorporated herein all revisions requested by you since my April 2, 2014, letter.

Devon Energy Production Company, L.P. ("Devon"), as Operator, re-completed the Gaucho Unit 7H as a horizontal well at the following location to an approximate TVD of 10,364' and an approximate TMD of 14,350' in order to test the 2nd Bone Spring formation:

SHL: 1,650' FSL and 1,980' FWL Section 17-22S-34E
BHL: 2,618' FSL and 1,991' FWL Section 20-22S-34E

Both the beginning and final perforations of this wellbore are non-standard pursuant to statewide pool rules.

The Project Area for this well is the SE/4 SW/4 Section 17-22S-R34E and the E/2 NW/4 Section 20-T22S-R34E, Lea County, New Mexico, containing 120 acres.

The Gaucho Unit 7H well had a shallow casing string collapse while drilling the lateral resulting in Devon's decision to stop the lateral at the present location in order to avoid the risk of losing the wellbore and having a non-productible well. Because of this reason and inasmuch as this well will be producing from unorthodox beginning and final perforations as permitted by the statewide pool rules, Devon respectfully requests that the Commission administratively approve this application for an unorthodox well location in accordance with Division Rule 104(F)(3). Devon's records reflect that the only affected leasehold owner/operator to this application is Devon; therefore, according to Commission rules, no further notification is required. Additionally, Devon requests Commission approval to designate a 120-acre project area consisting of three (3) standard oil spacing units comprised of the SE/4 SW/4 Section 17 (unit letter N) and the E/2 NW/4 Section 20 (unit letters C and F), both in Township 22 South, Range 34 East, Lea County, New Mexico.

New Mexico Oil Conservation Division
April 30, 2014
Page Two

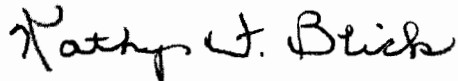
Please be advised that Devon Energy Production Company, L.P. owns 100% of the leasehold interest covering all Section 17-22S-34E, 100% of the leasehold interest covering the SE/4 Section 20-22S-34E (all depths) and 100% of the leasehold interest covering the SW/4 Section 20-22S-34E (limited from surface to 13,431', which includes the 2nd Bone Spring formation), Lea County, New Mexico.

Enclosed you will find a revised State of New Mexico form C-102. A land plat reflecting the affected leasehold owner/operator, a Weatherford Drilling Services End of Well (EOW) Report, and a 2nd Bone Spring isopach map were included in my April 2, 2014, letter.

If you have any questions concerning this proposal or need additional information, please do not hesitate to contact me at 405/228-8437 or Kathy.Blick@devn.com. My fax number is 405/552-8113.

Very truly yours,

Devon Energy Production Company, L.P.

A handwritten signature in black ink that reads "Kathy F. Blick". The signature is written in a cursive, flowing style.

Kathy F. Blick
Land Advisor

Enclosure

L:\Western\Land\Permian\Blick, Kathy\Gaucho Unit\04-30-14 revised letter to NMOCD for Gaucho Unit 7H NSL

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34440	² Pool Code 2209	³ Pool Name Antelope Ridge; BS, West
⁴ Property Code	⁵ Property Name GAUCHO UNIT	⁶ Well Number 7H
⁷ OGRID No. 6137	⁸ Operator Name DEVON ENERGY PRODUCTION COMPANY, L.P.	⁹ Elevation 3488.1

" Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	17	22 S	34 E		1650	SOUTH	1980	WEST	LEA

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	20	22 S	34 E		2618	SOUTH	1991	WEST	LEA

¹⁰ Dedicated Acres 120	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

NW CORNER SEC. 17 LAT. = 32.3983717°N LONG. = 103.5005936°W NMSP EAST (FT) N = 509879.49 E = 798355.59 W Q CORNER SEC. 17 LAT. = 32.3917093°N LONG. = 103.5006093°W NMSP EAST (FT) N = 507236.89 E = 79837.32 SECTION CORNER LAT. = 32.3844523°N LONG. = 103.5006223°W NMSP EAST (FT) N = 504586.21 E = 798387.85 W Q CORNER SEC. 20 LAT. = 32.3771957°N LONG. = 103.5006387°W NMSP EAST (FT) N = 501958.05 E = 798403.43 SW CORNER SEC. 20 LAT. = 32.3699366°N LONG. = 103.5006503°W NMSP EAST (FT) N = 499314.37 E = 798420.31	NW CORNER SEC. 17 LAT. = 32.3989674°N LONG. = 103.4920528°W NMSP EAST (FT) N = 509898.58 E = 800982.18 SEC. 17 GAUCHO UNIT #7H ELEV. = 3488.1 LAT. = 32.3889813°N (NAD83) LONG. = 103.4941997°W NMSP EAST (FT) N = 508259.73 E = 800357.93 980' SURFACE LOCATION 100' 2618' 1991' SEC. 20 BOTTOM OF HOLE 100' 2618' 1991' BOTTOM OF HOLE COMPUTED	NE CORNER SEC. 17 LAT. = 32.3985757°N LONG. = 103.4835194°W NMSP EAST (FT) N = 509915.80 E = 803628.52 E Q CORNER SEC. 17 LAT. = 32.3917325°N LONG. = 103.4835282°W NMSP EAST (FT) N = 507279.57 E = 803644.75 SECTION CORNER LAT. = 32.3844435°N LONG. = 103.4835441°W NMSP EAST (FT) N = 504634.53 E = 803660.87 E Q CORNER SEC. 20 LAT. = 32.3771952°N LONG. = 103.4835548°W NMSP EAST (FT) N = 501983.40 E = 803678.32 SE CORNER SEC. 20 LAT. = 32.3699343°N LONG. = 103.4836025°W NMSP EAST (FT) N = 499354.32 E = 803684.77	" OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. 9/25/2013 Signature _____ Date _____ Printed Name _____ DAVID H. COOK REGULATORY SPECIALIST " SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plan was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my ability. APRIL 23, 2014 Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certification Number ERMON F. JAKUBILO PLS 12797 REGISTERED LAND SURVEYOR NO. 1006
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Results of Directional Survey

API number:	30-025-34440		
OGRID:		Operator:	DEVON ENERGY PROD CO LP
		Property:	GAUCHO UNIT # 7H

surface	ULSTR:	K	17	T	22S	R	34E
				1650	FSL	1980	FWL

BH Loc	ULSTR:	K	20	T	22S	R	34E
14266	MD	10364.1	TVD	2618	FSL	1991	FWL
				2662	FNL		

Top Perf/OH	ULSTR:	N	17	T	22S	R	34E
10560	MD	10357.2	TVD	1124	FSL	2017	FWL

Bot Perf/OH	ULSTR:	F	20	T	22S	R	34E
14202	MD	10363.7	TVD	2514	FNL	1990	FWL

	MD	N/S	E/W	VD
	10552	-517.93	36.38	10355.78
TOP PERFS/OH	10560	-525.78	36.73	10357.24
	10575	-540.51	37.40	10359.99
	14139	-4100.73	10.25	10363.34
BOT PERFS/OH	14202	-4163.73	10.10	10363.72
	14234	-4195.73	10.03	10363.92

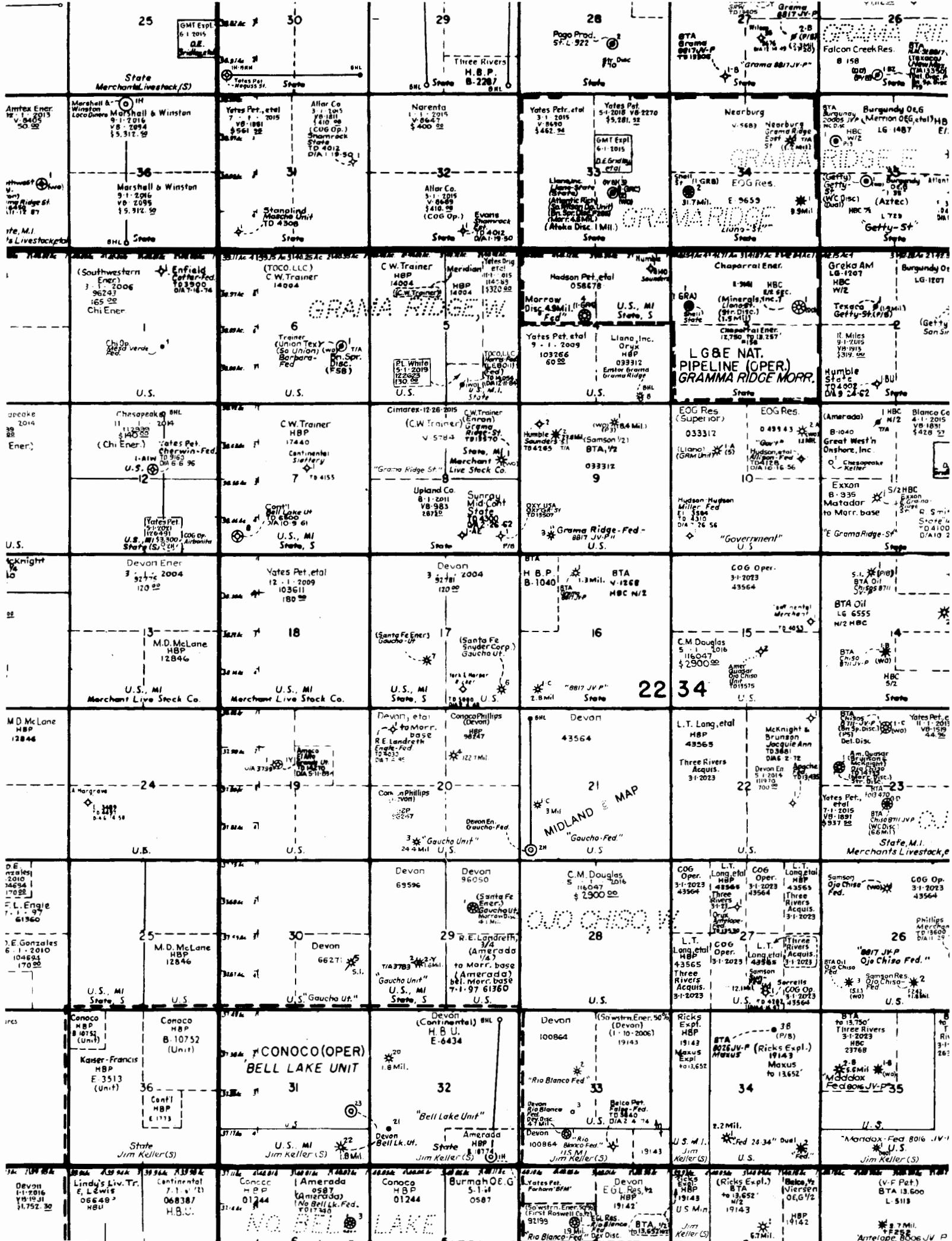
NEXT TO LAST	14234	-4195.73	10.03	10363.92
LAST READING	14350	-4311.72	10.97	10364.07
TD	14350	-4311.72	10.97	10364.07

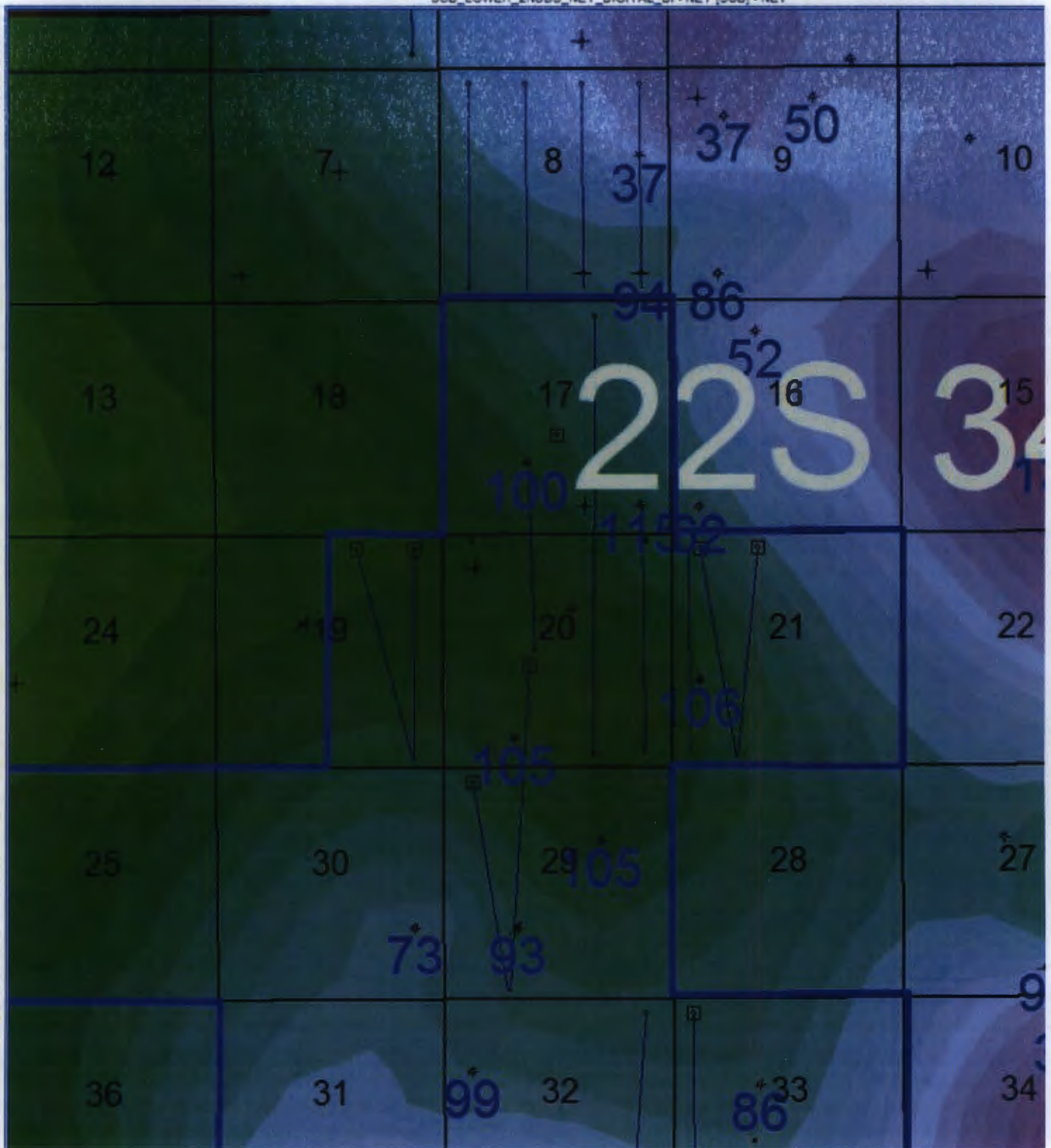
Surface Location	1650	FS	1980	FW
Projected BHL	2662	FN	1991	FW
Location of				
Top Perfs/OH	1124	FS	2017	FW
Bottom Perfs/OH	2514	FN	1990	FW

SUMMARY of Subsurface Locations

Surface Location	K-17-22S-34E	1650	FS	1980	FW	Vert. Depth
Top Perfs/OH	N-17-22S-34E	1124	FS	2017	FW	10357.24
Bottom Perfs/OH	F-20-22S-34E	2514	FN	1990	FW	10363.72
Projected TD	K-20-22S-34E	2662	FN	1991	FW	10364.07

NOV 25 2013





2nd Bone Spring Net Isopach Plat



**DRILLING SERVICES
END OF WELL REPORT
FOR
Kurtis Schmitz
Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico**

Weatherford Drilling Services job start date : 12-8-2012

Weatherford Drilling Services job end date : 12-24-2012

Presented By:

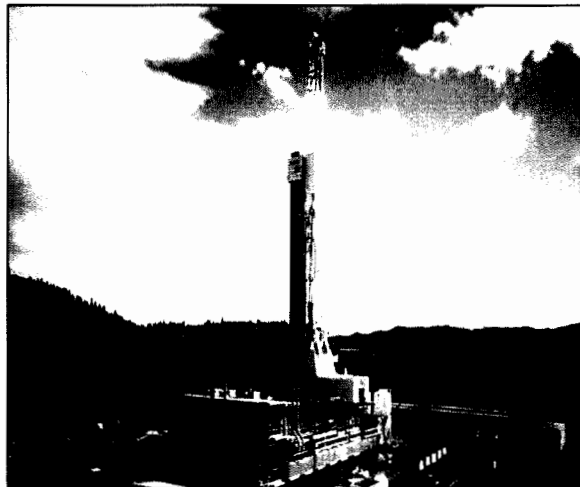
Damien Tarpley
Area Manager

Scott Dixon
Account Manager

Orry Armendariz
Directional Drilling Coordinator

Jesse Aguilar
MWD Coordinator

H&P 416





10000 West County Road 116
P.O. Box 61028
Midland, Texas 79711
Phone (432) 561-8892

December 28, 2012

Kurtis Schmitz
20 North Broadway
Oklahoma City, OK 73102

Reference Well Name : Gaucho Unit #7 RE
Location : Lea County, New Mexico
Wft Job # : 4028184
Rig : H&P 416

Dear Mr. Schmitz

Thank you for allowing us the opportunity to provide our services on your Gaucho Unit #7 RE in Lea County, New Mexico.

Please find the final End Of Well (EOW) report enclosed behind this coverletter.

The EOW report contains the following information :

Section 1 - Weatherford (Wft) Final Definitive Survey & 8.5" x 11".

- * Note: This survey contains the Directional Survey's obtained by Weatherford Drilling Services via Weatherford MWD Services, and any gyro survey needed for Tie On (if required).

Section 2- Days vs. Feet Drilled (24 hrs) and Days vs. Depth Graphs

Section 3- Wft Gamma Logs

Section 4 - Wft Final BHA reports (BHA Graphic Reports, BHA Detail Reports, Motor Evaluation Reports, and BHA Slide Reports).

Section 5 - Wft Final Daily Drilling reports.

Section 6 - Wft Personnel list with contact numbers.

We at *Weatherford Drilling Services'* understand the importance of this project to you and hope that you were satisfied with our Directional Drilling and MWD services provided.

Please feel free to contact me if you have any questions.

Sincerely,

Damien Tarpley
Area Manager
Weatherford Drilling Services
Midland, TX (432) 561-8892



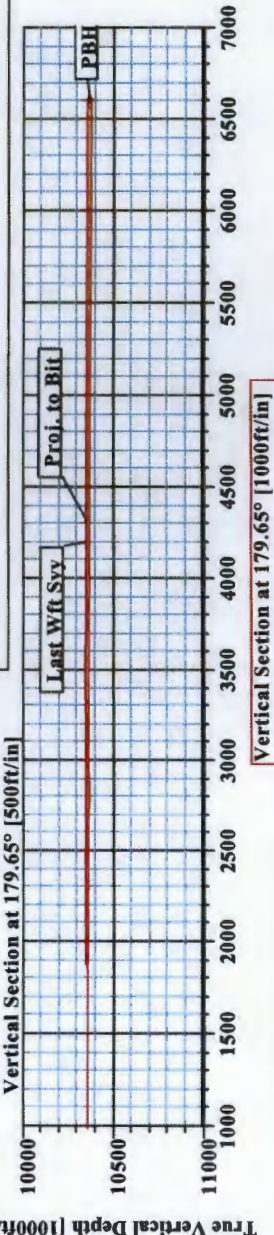
Weatherford

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 1

Weatherford (Wft) Final Definitive

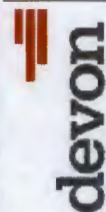
Plot & Survey



Sec	MD	Inc	Aul	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	11668.00	90.56	177.83	10354.56	-1320.87	-12.61	0.00	0.00	1820.76	
2	11925.34	89.81	179.37	10354.37	-1888.09	-11.21	3.00	116.89	1887.99	PBHL
3	16637.56	89.81	179.37	10370.00	-6600.11	40.21	0.00	0.00	6600.33	PBHL

WELL DETAILS							
Name	+N/S	+E/W	Northing	Easting	Latitude	Longitude	Shot
Gaucha Unit #7RE	0.00	0.00	506259.73	800347.93	32°23'30.33N	103°29'39.147W	N/A

TARGET DETAILS						
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL	10370.00	-6600.11	40.21	499659.62	800398.14	Rectangle (4721x50)



**Gaucha Unit #7 RE
Lea County, New Mexico**



Azimuths to Grid North
True North: -0.45°
Magnetic North: 6.93°

Magnetic Field
Strength: 48600mT
Dip Angle: 60.32°
Date: 12/15/2012
Model: IGRF2010

Total Correction to Grid North: 6.93°

SITE DETAILS

Gauche Unit #7RE

Site Centre Northing:	506259.73
Eastings:	800357.93
Ground Level:	3498.00
Positional Uncertainty:	0.00
Convergence:	0.45



Weatherford®

LEGEND

- Gaucha Unit #7RE, 1, Plan #6
Hooklin Bull State #1 (1)

Survey: Wt Sry (Gauche Unit #7RE/1)									
No	MD	Inc	Ax	TVD	+N/-S	+E/-W	DLeg	TFace	VSec
70	14350.00	89.93	179.54	10364.07	-4311.72	10.97	0.00	116.57	4311.71

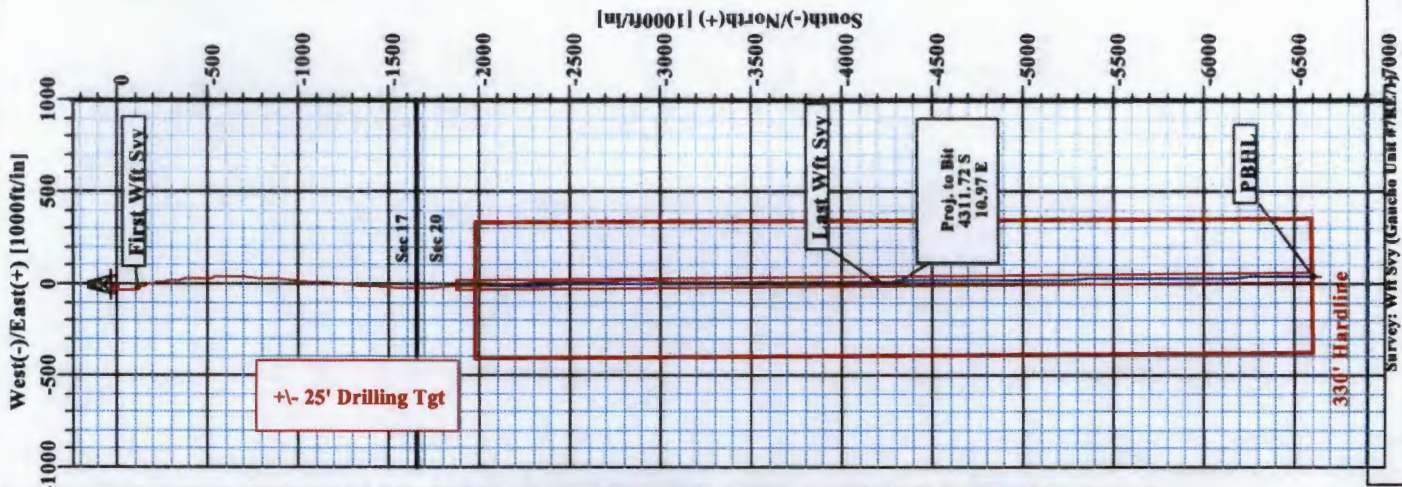
Survey: Wft Svy (Gaucho Unit #7RE/1)

Vertical Section at 179.65° [500ft/in]

Proj. to Bit

PBH

Vertical Section at 179.65° [1000ft/in]



Survey: WH Svy (Gancheo Unit #7)KZ77-7000

Created By: Patrick Rudolph

Date: 12/26/2012



Weatherford International Ltd.

WFT Survey Report X & Y's

**Weatherford**

Company: Devon Energy		Date: 12/26/2012	Time: 08:14:52	Page: 1
Field: Lea County, New Mexico (NAD 83)		Co-ordinate(NE) Reference:	Well: Gaucho Unit #7RE, Grid North	
Site: Gaucho Unit #7RE		Vertical (TVD) Reference:	SITE 3513.0	
Well: Gaucho Unit #7RE		Section (VS) Reference:	Well (0.00N,0.00E,179.65Azi)	
Wellpath: 1		Survey Calculation Method:	Minimum Curvature Db: Sybase	

Survey: Wft Svy	Start Date: 12/14/2012
Company: Weatherford	Engineer: Russell W. Joyner
Tool: MWD;MWD - Standard	Tied-to: User Defined

Site: Gaucho Unit #7RE	
Site Position:	Northing: 506259.73 ft Latitude: 32 23 20.331 N
From: Map	Easting: 800357.93 ft Longitude: 103 29 39.147 W
Position Uncertainty: 0.00 ft	North Reference: Grid
Ground Level: 3488.00 ft	Grid Convergence: 0.45 deg

Well: Gaucho Unit #7RE		Slot Name:	
Well Position: +N/-S 0.00 ft	Northing: 506259.73 ft	Latitude: 32 23 20.331 N	
+E/-W 0.00 ft	Easting: 800357.93 ft	Longitude: 103 29 39.147 W	
Position Uncertainty: 0.00 ft			

Wellpath: 1		Drilled From: Surface	
Current Datum: SITE	Height 3513.00 ft	Tie-on Depth:	0.00 ft
Magnetic Data: 12/15/2012		Above System Datum:	Mean Sea Level
Field Strength: 48600 nT		Declination:	7.38 deg
Vertical Section: Depth From (TVD)	+N/-S	Mag Dip Angle:	60.32 deg
ft	ft	+E/-W	Direction
		ft	deg
0.00	0.00	0.00	179.65

Survey										
MD	Incl	Azim	TVD	N/S	E/W	DLS	VS	MapN	MapE	Comment
ft	deg	deg	ft	ft	ft	deg/100ft	ft	ft	ft	
9685.00	1.26	126.91	9675.53	-113.23	-24.78	0.00	113.08	506146.50	800333.15	Tie on SDI
9795.00	1.54	122.18	9785.50	-114.75	-22.56	0.28	114.61	506144.98	800335.37	First Wft Svy
9827.00	3.45	154.88	9817.47	-115.85	-21.79	7.22	115.71	506143.88	800336.14	
9858.00	6.02	161.42	9848.36	-118.23	-20.88	8.46	118.10	506141.50	800337.05	
9890.00	8.92	159.94	9880.09	-122.15	-19.49	9.08	122.03	506137.58	800338.44	
9921.00	11.51	161.86	9910.59	-127.35	-17.70	8.43	127.24	506132.38	800340.23	
9953.00	13.49	162.42	9941.83	-133.94	-15.58	6.20	133.85	506125.79	800342.35	
9985.00	15.04	159.62	9972.85	-141.40	-13.01	5.30	141.31	506118.33	800344.92	
10016.00	17.40	160.25	10002.61	-149.53	-10.04	7.63	149.47	506110.20	800347.89	
10048.00	20.57	161.66	10032.86	-159.37	-6.65	10.01	159.33	506100.36	800351.28	
10079.00	24.72	164.53	10061.47	-170.79	-3.21	13.85	170.77	506088.94	800354.72	
10111.00	28.65	165.21	10090.06	-184.66	0.54	12.32	184.66	506075.07	800358.47	
10142.00	31.80	167.65	10116.84	-199.83	4.18	10.90	199.85	506059.90	800362.11	
10174.00	35.70	169.04	10143.44	-217.24	7.76	12.42	217.29	506042.49	800365.69	
10206.00	39.06	170.21	10168.87	-236.35	11.25	10.73	236.41	506023.38	800369.18	
10237.00	41.79	172.20	10192.46	-256.21	14.31	9.74	256.30	506003.52	800372.24	
10269.00	43.06	172.79	10216.08	-277.62	17.13	4.16	277.71	505982.11	800375.06	
10300.00	46.76	172.81	10238.04	-299.32	19.88	11.94	299.44	505960.41	800377.81	
10332.00	49.80	173.49	10259.33	-323.04	22.72	9.63	323.17	505936.69	800380.65	
10363.00	53.94	174.53	10278.47	-347.28	25.26	13.61	347.43	505912.45	800383.19	
10395.00	58.07	174.69	10296.35	-373.69	27.75	12.91	373.85	505886.04	800385.68	
10426.00	61.88	175.61	10311.86	-400.43	30.01	12.56	400.61	505859.30	800387.94	
10458.00	65.66	176.45	10326.00	-429.06	32.00	12.04	429.25	505830.67	800389.93	
10489.00	69.47	177.42	10337.83	-457.67	33.53	12.63	457.86	505802.06	800391.46	
10521.00	73.20	177.17	10348.07	-487.95	34.96	11.68	488.15	505771.78	800392.89	
10552.00	77.98	177.40	10355.78	-517.93	36.38	15.44	518.14	505741.80	800394.31	
10575.00	80.94	177.41	10359.99	-540.51	37.40	12.87	540.73	505719.22	800395.33	
10607.00	84.76	178.25	10363.97	-572.24	38.60	12.22	572.46	505687.49	800396.53	
10638.00	86.92	178.74	10366.22	-603.14	39.41	7.14	603.37	505656.59	800397.34	
10670.00	90.21	179.28	10367.02	-635.12	39.97	10.42	635.36	505624.61	800397.90	



Weatherford International Ltd.

WFT Survey Report X & Y's



Company: Devon Energy
Field: Lea County, New Mexico (NAD 83)
Site: Gaucho Unit #7RE
Well: Gaucho Unit #7RE
Wellpath: 1

Date: 12/26/2012 Time: 08:14:52 Page: 2
Co-ordinate(NF) Reference: Well: Gaucho Unit #7RE, Grid North
Vertical (TVD) Reference: SITE 3513.0
Section (VS) Reference: Well (0.00N,0.00E,179.65Azi)
Survey Calculation Method: Minimum Curvature Db: Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	DLS deg/100ft	VS ft	MapN ft	MapE ft	Comment
10702.00	90.98	180.71	10366.69	-667.12	39.97	5.08	667.35	505592.61	800397.90	
10733.00	90.70	181.80	10366.24	-698.11	39.29	3.63	698.34	505561.62	800397.22	
10828.00	90.70	183.81	10365.08	-792.98	34.64	2.12	793.18	505466.75	800392.57	
10923.00	91.40	183.73	10363.33	-887.76	28.40	0.74	887.92	505371.97	800386.33	
11017.00	90.49	184.68	10361.78	-981.49	21.51	1.40	981.61	505278.24	800379.44	
11112.00	91.26	184.97	10360.33	-1076.14	13.52	0.87	1076.21	505183.59	800371.45	
11207.00	90.00	184.40	10359.29	-1170.82	5.76	1.46	1170.83	505088.91	800363.69	
11301.00	90.63	184.64	10358.77	-1264.52	-1.65	0.72	1264.49	504995.21	800356.28	
11396.00	91.19	184.29	10357.26	-1359.22	-9.04	0.70	1359.14	504900.51	800348.89	
11490.00	90.49	183.09	10355.89	-1453.02	-15.09	1.48	1452.90	504806.71	800342.84	
11585.00	89.72	180.02	10355.71	-1547.97	-17.67	3.33	1547.83	504711.76	800340.26	
11679.00	90.42	180.23	10355.60	-1641.97	-17.88	0.78	1641.83	504617.76	800340.05	
11774.00	90.14	177.77	10355.13	-1736.95	-16.22	2.61	1736.81	504522.78	800341.71	
11868.00	90.56	177.83	10354.56	-1830.87	-12.61	0.45	1830.76	504428.86	800345.32	
11963.00	91.40	177.90	10352.93	-1925.79	-9.07	0.89	1925.70	504333.94	800348.86	
12058.00	90.42	177.89	10351.42	-2020.72	-5.58	1.03	2020.64	504239.01	800352.35	
12152.00	90.63	177.63	10350.56	-2114.64	-1.91	0.36	2114.59	504145.09	800356.02	
12247.00	89.72	177.85	10350.27	-2209.57	1.84	0.99	2209.54	504050.16	800359.77	
12342.00	88.53	177.73	10351.72	-2304.48	5.50	1.26	2304.47	503955.25	800363.43	
12437.00	88.05	178.29	10354.56	-2399.38	8.80	0.78	2399.39	503860.35	800366.73	
12531.00	86.79	177.69	10358.79	-2493.23	12.09	1.48	2493.25	503766.50	800370.02	
12626.00	88.39	179.45	10362.78	-2588.11	14.46	2.50	2588.15	503671.62	800372.39	
12721.00	89.65	179.77	10364.41	-2683.09	15.11	1.37	2683.13	503576.64	800373.04	
12815.00	89.86	179.53	10364.81	-2777.08	15.68	0.34	2777.13	503482.65	800373.61	
12910.00	90.35	179.92	10364.64	-2872.08	16.14	0.66	2872.13	503387.65	800374.07	
13004.00	90.77	180.32	10363.72	-2966.08	15.94	0.62	2966.12	503293.65	800373.87	
13099.00	91.40	180.24	10361.92	-3061.06	15.47	0.67	3061.10	503198.67	800373.40	
13193.00	91.67	180.13	10359.40	-3155.02	15.17	0.31	3155.06	503104.71	800373.10	
13288.00	92.10	179.85	10356.28	-3249.97	15.19	0.54	3250.01	503009.76	800373.12	
13383.00	91.83	179.75	10353.02	-3344.92	15.52	0.30	3344.95	502914.81	800373.45	
13477.00	90.07	180.70	10351.46	-3438.90	15.15	2.13	3438.93	502820.83	800373.08	
13572.00	90.14	180.36	10351.29	-3533.89	14.27	0.37	3533.92	502725.84	800372.20	
13666.00	88.88	180.46	10352.09	-3627.89	13.60	1.34	3627.90	502631.84	800371.53	
13761.00	87.98	180.33	10354.69	-3722.85	12.94	0.96	3722.86	502536.88	800370.87	
13855.00	88.39	180.31	10357.67	-3816.80	12.42	0.44	3816.80	502442.93	800370.35	
13950.00	88.74	180.34	10360.05	-3911.77	11.88	0.37	3911.77	502347.96	800369.81	
14045.00	88.95	180.46	10361.96	-4006.75	11.22	0.25	4006.74	502252.98	800369.15	
14139.00	89.37	180.72	10363.34	-4100.73	10.25	0.53	4100.72	502159.00	800368.18	
14234.00	89.93	179.54	10363.92	-4195.73	10.03	1.37	4195.71	502064.00	800367.96	Last Wft Svy
14350.00	89.93	179.54	10364.07	-4311.72	10.97	0.00	4311.71	501948.01	800368.90	Proj. to Bit

Annotation

MD ft	TVD ft	
9685.00	9675.53	Tie on SDI
9795.00	9785.50	First Wft Svy
14234.00	10363.92	Last Wft Svy
14350.00	10364.07	Proj. to Bit

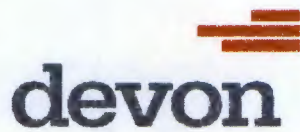


Weatherford[®]

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 2

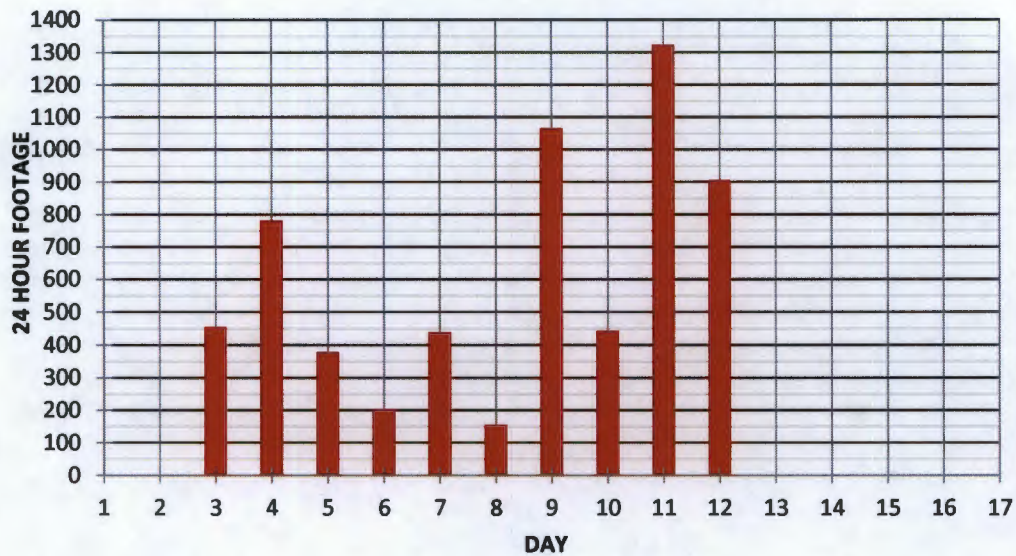
Days vs. Depth



Devon Energy
Gaucho Unit #7 RE
Lea Co., New Mexico



DAYS VS FEET DRILLED /24 HOURS



DAYS VS DEPTH





Weatherford

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 3

Weatherford Gamma Logs



Weatherford

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 4

Weatherford Final BHA Reports



Devon Energy Corp

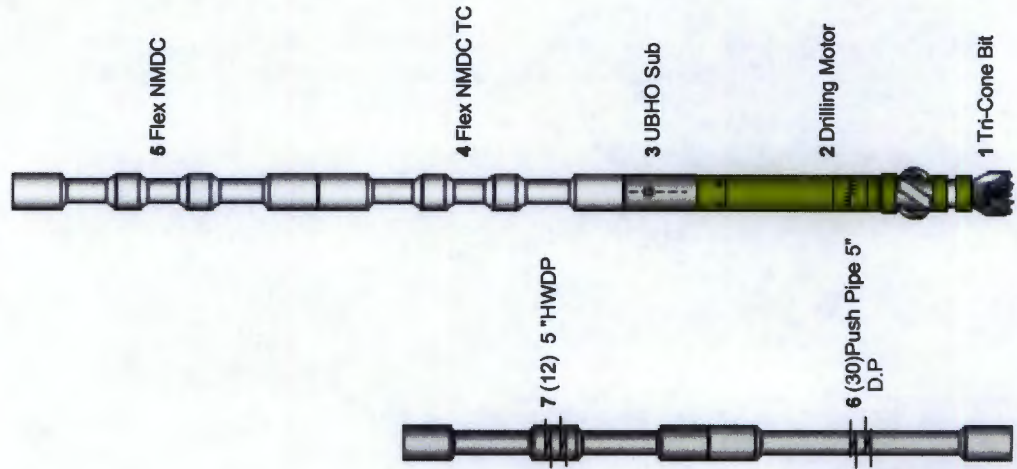
Gaucha Unit #7 Re-entry

Drilling Services
v4.2 2874

BHA NO.: 1

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	I.D.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	Tri-Cone Bit	5220072		0	8.75	0		4 1/2" REG Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	675-3756	6 3/4" (171mm)	0	8.5	0	4 1/2" IF Box	4 1/2" IF Box	27.38 ft	28.38 ft
3	1	UBHO Sub	675-36609		6.625	6.625	3.1875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.00 ft
4	1	Flex NMDC TC	675-38680		6.2	6.2	3.25	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.01 ft
5	1	Flex NMDC	xxxxx		6.54	6.66	2.875	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	93.78 ft
6	30	(30)Push Pipe 5"			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	945.66 ft	1039.44 ft
7	12	(12) 5 "HWD			0	0	0	4 1/2" IF Pin	4 1/2" IF Box	364.02 ft	1403.46 ft
TOTAL:										1403.46 ft	

(O.D. units are in; I.D. units are in; FNeck units are ft)



— COMMENTS —



Devon Energy Corp

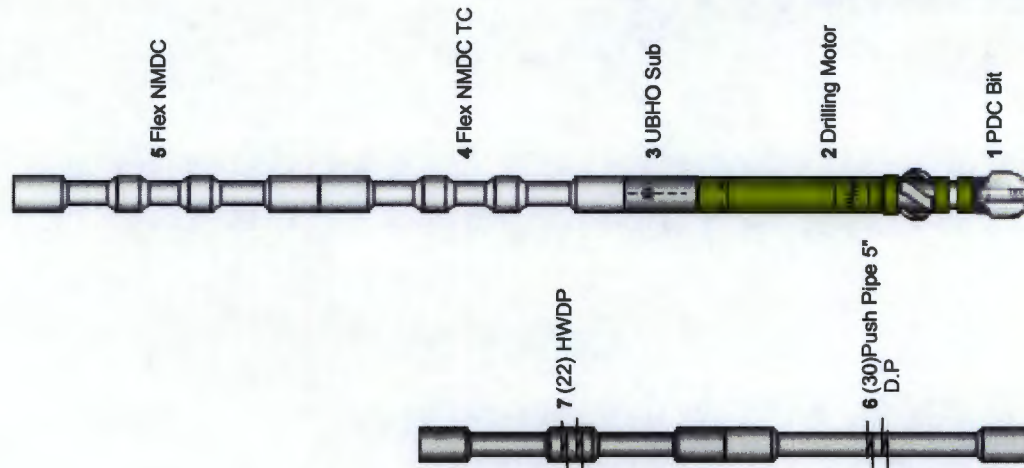
Gaucha Unit #7 Re-entry

Drilling Services
v4.2.2074

BHA NO.: 2

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	TOP ID	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	PDC Bit	7140788			8.75	0		4 1/2" REG Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	675-3756	6 3/4" (171mm)	0	8.5	0	4 1/2" IF Box	4 1/2" IF Box	27.38 ft	28.38 ft
3	1	UBHO Sub	675-36609		6.625	6.6253	1.875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.00 ft
4	1	Flex NMDC TC	675-38680		6.2	6.2	3.25	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.01 ft
5	1	Flex NMDC	xxxxx		6.54	6.66	2.875	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	93.78 ft
6	30	(30)Push Pipe 5"			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	945.66 ft	1039.44 ft
7	22	(22) HWDP			0	0	0	4 1/2" REG Pin	4 1/2" IF Box	667.25 ft	1706.69 ft
TOTAL:										1706.69 ft	

(O.D. units are in; I.D. units are in; FNeck units are ft)



COMMENTS



Devon Energy Corp

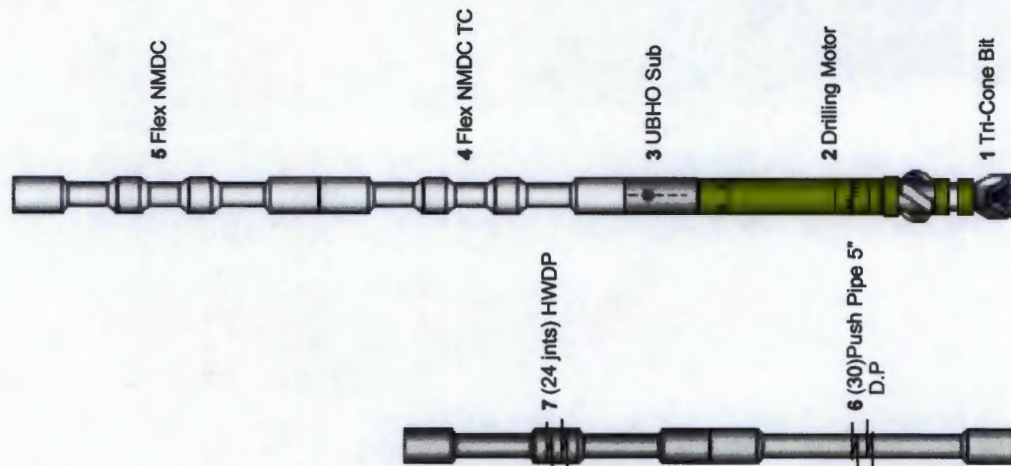
Gaucha Unit #7 Re-entry

Drilling Services
v4.2 2674

BHA NO.: 3

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	I.D.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	Tri-Cone Bit	5220072						4 1/2" REG Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	675-3625	6 3/4" (171mm)	0	8.75	0	4 1/2" IF Box	4 1/2" IF Box	27.89 ft	28.89 ft
3	1	UBHO Sub	675-36609		6.625	6.6253	1.875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.51 ft
4	1	Flex NMDC TC	675-36680		6.2	6.2	3.25	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.52 ft
5	1	Flex NMDC	xxxxx		6.54	6.66	2.875	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	94.29 ft
6	30	(30)Push Pipe 5"			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	945.67 ft	1038.96 ft
7	24	(24 Jnts) HWDP			0	5	0	Pin	4 1/2" IF Box	727.63 ft	1767.59 ft
TOTAL:										1767.59 ft	

(O.D. units are in; I.D. units are in; FNeck units are ft)



COMMENTS



Devon Energy Corp

Gaucha Unit #7 Re-entry

Drilling Services
v4.2.2074

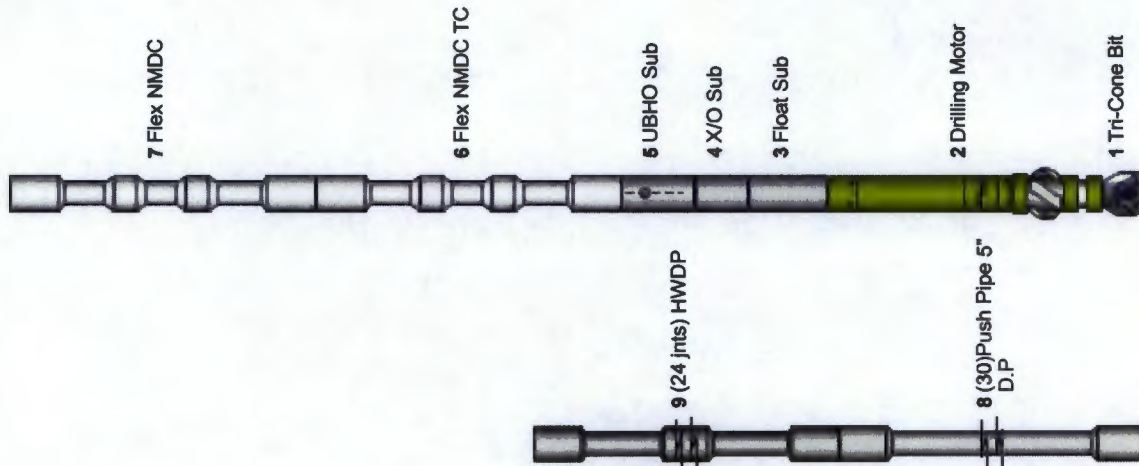
BHA NO.: 4

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	I.D.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	Tri-Cone Bit	5216282		0	8.75	0		4 1/2" REG Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	MSD67D18075R	6 3/4" (171mm)	0	8.5	0	4 1/2" IF Box	4 1/2" IF Box	30.82 ft	31.82 ft
3	1	Float Sub	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.52 ft
4	1	X/O Sub	Rig		0	0	0	4 1/2" IF Box	4 1/2" IF Box	3.33 ft	37.85 ft
5	1	UBHO Sub	675-36609		6.625	6.625	3.1875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	41.47 ft
6	1	Flex NMDC TC	675-36680		6.2	6.2	3.25	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	72.48 ft
7	1	Flex NMDC	xxxx		6.54	6.66	2.875	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	103.25 ft
8	30	(30)Push Pipe 5"			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	945.67 ft	1048.92 ft
9	24	(24 jnts) HWDP			0	5	0	Pin	4 1/2" IF Box	727.63 ft	1776.55 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

TOTAL:

1776.55 ft



COMMENTS



Devon Energy Corp

Gaucha Unit #7 Re-entry

Drilling Services
v4.2.2874

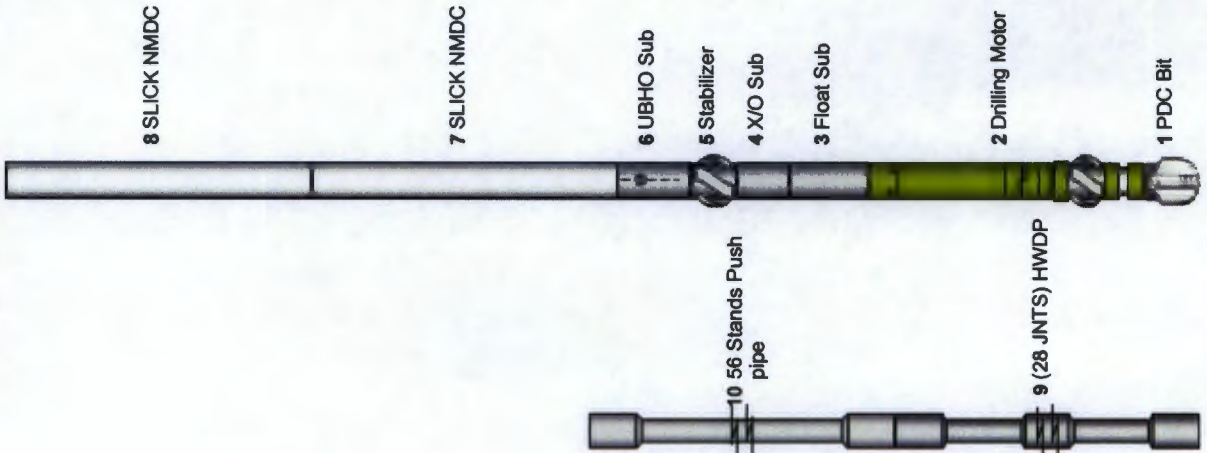
BHA NO.: 5

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	I.D.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	PDC Bit	12055998		0	8.75	0		4 1/2" REG Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	MSD1723SR	6 3/4" (171mm)	0	8.25	0	4 1/2" REG Box	4 1/2" IF Box	30.88 ft	31.88 ft
3	1	Float Sub	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.58 ft
4	1	X/O Sub	Rig		0	0	0	4 1/2" XH Pin	4 1/2" IF Box	3.33 ft	37.91 ft
5	1	Stabilizer	SD20023		6.5	6.5	2.75	4 1/2" IF Pin	4 1/2" IF Box	4.36 ft	42.27 ft
6	1	UBHO Sub	675-36609		6.625	6.625	3.1875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	45.89 ft
7	1	SLICK NMDC	675-38640		6.75	6.75	3.3125	1/2" IF Pin	4 1/2" IF Box	30.68 ft	76.57 ft
8	1	SLICK NMDC	675-33973		6.5625	6.5625	2.875	1/2" IF Pin	4 1/2" IF Box	30.90 ft	107.47 ft
9	28	(28 JNTS) HWDP			0	0	0	4 1/2" IF Pin	4 1/2" IF Box	847.02 ft	954.49 ft
10	168	56 Stands Push			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	5298.03 ft	6252.52 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

TOTAL:

6252.52 ft



COMMENTS



Devon Energy Corp

Gaucha Unit #7 Re-entry

Drilling Services
v4.2.2674

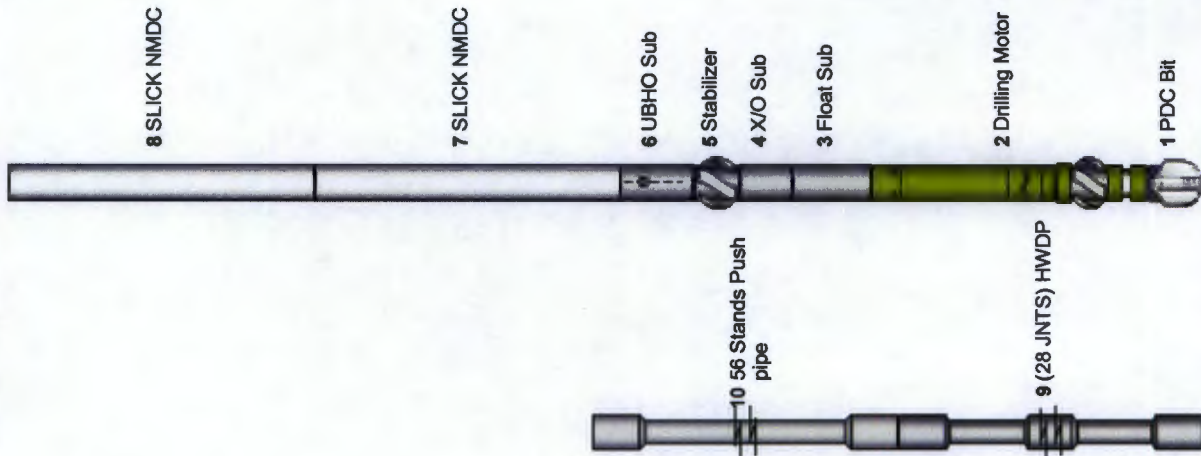
BHA NO.: 6

ITEM#	QTY	COMPONENT	SERIAL #	DETAIL	BOT OD	TOP OD	I.D.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	1	PDC Bit	12095232			8.75	0		4 1/2" IF Pin	1.00 ft	1.00 ft
2	1	Drilling Motor	MSD67D1779SR	6 3/4" (171mm)	0	8.25	0	4" IF Pin	4 1/2" IF Box	30.84 ft	31.84 ft
3	1	Float Sub	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.54 ft
4	1	X/O Sub	Rig		0	0	0	4 1/2" XH Pin	4 1/2" IF Box	3.33 ft	37.87 ft
5	1	Stabilizer	SD20023		6.5	6.5	2.75	4 1/2" IF Pin	4 1/2" IF Box	4.36 ft	42.23 ft
6	1	UBHO Sub	675-38609		6.625	6.625	3.1875	1/2" IF Pin	4 1/2" IF Box	3.62 ft	45.85 ft
7	1	SLICK NMDC	675-38640		6.75	6.75	3.3125	1/2" IF Pin	4 1/2" IF Box	30.88 ft	76.53 ft
8	1	SLICK NMDC	675-33973		6.5625	6.5625	2.875	1/2" IF Pin	4 1/2" IF Box	30.90 ft	107.43 ft
9	28	(28 JNTS) HWDP			0	0	0	4 1/2" IF Pin	4 1/2" IF Box	847.02 ft	954.45 ft
10	168	56 Stands Push			5	5	0	4 1/2" IF Pin	4 1/2" IF Box	5298.03 ft	6252.48 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

TOTAL:

6252.48 ft



--- COMMENTS ---

**Weatherford**

BHA Report

Drilling Services
v4.2.2674

BHA 1 - Vertical Departure Section

FILE #: 4028184

WELL NAME: Gaucho Unit #7 Re-entry

SERVICE CO.: Precision Energy Services

JOB TYPE:

COMPANY: Devon Energy Corp

SURVEY TYPE: Positive Pulse MWD

RIG & NO: H & P 416

SURFACE LOCATION:

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce

DIR Supervisor: Rene Rosas, Tyrell Shoaf

MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	Tri-Cone Bit	Hughes	5220072	VGD-E30C	8.75	0	0		4 1/2" REG Pin	1.00 ft	1.00 ft
1	Drilling Motor	Weatherford	675-3756		8.5	0	3.35	4 1/2" IF Box	4 1/2" IF Box	27.38 ft	28.38 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.00 ft
1	Flex NMDC TC	Weatherford	675-38680		6.2	3.25	0	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.01 ft
1	Flex NMDC	Weatherford	xxxxx		6.66	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	93.78 ft
30	(30)Push Pipe 5" DRig				5	0	0	4 1/2" IF Pin	4 1/2" IF Box	945.66 ft	1039.44 ft
12	(12) 5 "HWDP Rig				0	0	0	4 1/2" IF Pin	4 1/2" IF Box	364.02 ft	1403.46 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

GENERAL INFORMATION

DATES RUN: 2012/12/09 TO 2012/12/10
 DEPTH IN: 0.00 ft ANGLE IN: 0.00 °
 DEPTH OUT: 8640.00 ft ANGLE OUT: 0.00 °
 DRILL HRS: 24.92 BUILD: 0.00 °
 ORIENTING HRS: 4.75 HOLE MADE: 8640.00 ft
 ROTATING HRS: 20.17 AVG R.O.P.: 346.71 ft/hr

MOTOR INFORMATION

MANFCT. Weatherford SETTING: 1.50 °
 SERIAL #: 675-3756 KICK PAD: No
 MODEL: STABILIZER: 8.50
 LOBE CFG: 7/8 MOTOR HRS: 31.00
 BIT TO BEND: 6.23

PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	60	60	0
STROKE VOLUME:	4.5112 gal/stk	4.5112 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	514.27312 gal/min		
PUMP PRESSURE:	OFF BTM: 2285 psi	ON BTM: 2385 psi	

MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
 DENSITY: 8.6 lb/gal TEMP: 65 °F
 VISCOSITY: 29 sec/qt pH: 12
 WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
 PLAST VISC: 1 cP SOLIDS: 0.4 GAS TYPE:
 YIELD PT: 1 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

BIT INFORMATION

MANFCT: Hughes TYPE: VGD-E30C IADC BIT GRADE: 3 / 8 / BT / G / N / 2 / WT / PR
 NOZZLES: 12, 12, 12, n/a: 0.331 in² TFA

REASON FOR BHA CHANGE

Change bit & pick up 10 more joints of HWDP

FORMATION CHARACTERISTICS

Formation had a tendency to give better build rates than expected

MWD COMMENTS

Tool performed as expected, we will re-run on next BHA

SIDETRACKING PROCEDURE COMMENTS

N/A



Weatherford

BHA Report

Drilling Services
v4.2 2674

BHA 1 - Vertical Departure Section

RUN SUMMARY

BHA gave build rates of 14 & 15's. We changed the bit and will run the same BHA on the next run

**Weatherford**

BHA Report

Drilling Services
v4.2.2674

BHA 2 - Vertical Departure Section

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USACompany Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	PDC Bit	Hughes	7140788	Q506FX	8.75	0	0		4 1/2" REG Pin	1.00 ft	1.00 ft
1	Drilling Motor	Weatherford	675-3756		8.5	0	3.35	4 1/2" IF Box	4 1/2" IF Box	27.38 ft	28.38 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.00 ft
1	Flex NMDC TC	Weatherford	675-38680		6.2	3.25	0	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.01 ft
1	Flex NMDC	Weatherford	xxxxx		6.66	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	93.78 ft
30	(30)Push Pipe 5" D Rig				5	0	0	4 1/2" IF Pin	4 1/2" IF Box	945.66 ft	1039.44 ft
22	(22) HWDP	Rig			0	0	0	4 1/2" REG Pin	4 1/2" IF Box	667.25 ft	1706.69 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

— GENERAL INFORMATION

DATES RUN: 2012/12/10 TO 2012/12/12
 DEPTH IN: 8640.00 ft ANGLE IN: 0.00 °
 DEPTH OUT: 9803.00 ft ANGLE OUT: 1.51 °
 DRILL HRS: 28.83 BUILD: 1.51 °
 ORIENTING HRS: 7.92 HOLE MADE: 1163.00 ft
 ROTATING HRS: 20.92 AVG R.O.P.: 40.34 ft/hr

— MOTOR INFORMATION

MANFCT. Weatherford SETTING: 1.50 °
 SERIAL #: 675-3756 KICK PAD: No
 MODEL: STABILIZER: No
 LOBE CFG: 7/8 MOTOR HRS: 32.08
 BIT TO BEND: 6.23

— PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	60	60	0
STROKE VOLUME:	4.5112 gal/stk	4.5112 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	514.27312 gal/min		
PUMP PRESSURE:	OFF BTM: 1675 psi	ON BTM: 2000 psi	

— MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
 DENSITY: 8.9 lb/gal TEMP: 67 °F
 VISCOSITY: 28 sec/qt pH: 12
 WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
 PLAST VISC: 1 cP SOLIDS: 1.8 GAS TYPE:
 YIELD PT: 4 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

— BIT INFORMATION

MANFCT: Hughes TYPE: Q506FX IADC BIT GRADE: 2 / 3 / CT / G / X / ? / ? / TD
 NOZZLES: 0.663 in² TFA

— REASON FOR BHA CHANGE

TD the Vertical section. Will pick up the curv assembly.

— FORMATION CHARACTERISTICS

— MWD COMMENTS

No problems with the MWD on this run, everything ran as expected.

— SIDETRACKING PROCEDURE COMMENTS

N/A



Weatherford

BHA Report

Drilling Services
v4.2.2674

BHA 2 - Vertical Departure Section

RUN SUMMARY

Good Run

**Weatherford**

BHA Report

Drilling Services

v4.2.2674

BHA 3 - Curve Section

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce

DIR Supervisor: Rene Rosas, Tyrell Shoaf

MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	Tri-Cone Bit	Hughes	5220072	VGD-E30C	8.75	0	0		4 1/2" REG Pin	1.00 ft	1.00 ft
1	Drilling Motor	Weatherford	675-3625		8.5	0	3.33	4 1/2" IF Box	4 1/2" IF Box	27.89 ft	28.89 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	32.51 ft
1	Flex NMDC TC	Weatherford	675-38680		6.2	3.25	0	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	63.52 ft
1	Flex NMDC	Weatherford	xxxxx		6.66	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	94.29 ft
30	(30)Push Pipe 5" DRG				5	0	0	4 1/2" IF Pin	4 1/2" IF Box	945.67 ft	1039.96 ft
24	(24 jnts) HWDP				5	0	0	Pin	4 1/2" IF Box	727.63 ft	1767.59 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

GENERAL INFORMATION

DATES RUN: 2012/12/12 TO 2012/12/13
 DEPTH IN: 9803.00 ft ANGLE IN: 0.00 °
 DEPTH OUT: 10008.00 ft ANGLE OUT: 0.00 °
 DRILL HRS: 10.75 BUILD: 0.00 °
 ORIENTING HRS: 10.50 HOLE MADE: 205.00 ft
 ROTATING HRS: 0.25 AVG R.O.P.: 19.07 ft/hr

MOTOR INFORMATION

MANFCT. Weatherford SETTING: 1.83 °
 SERIAL #: 675-3625 KICK PAD: No
 MODEL: STABILIZER: 8.5
 LOBE CFG: 7/8 MOTOR HRS: 11.50
 BIT TO BEND: 6.21

PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	61	61	0
STROKE VOLUME:	4.5112 gal/stk	4.5112 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	525 gal/min		
PUMP PRESSURE:	OFF BTM: 2750 psi	ON BTM: 3000 psi	

MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
 DENSITY: 8.8 lb/gal TEMP: 74 °F
 VISCOSITY: 28 sec/qt pH: 10
 WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
 PLAST VISC: 1 cP SOLIDS: 2 GAS TYPE:
 YIELD PT: 3 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

BIT INFORMATION

MANFCT: Hughes TYPE: VGD-E30C IADC BIT GRADE: 2 / 2 / BT / G / E / 1 / ? / DMF
 NOZZLES: 1.83 in² TFA

REASON FOR BHA CHANGE

Motor failure. Pick up new motor and bit.

FORMATION CHARACTERISTICS

MWD COMMENTS

No problems with the MWD on this run, everything ran as expected.

SIDETRACKING PROCEDURE COMMENTS

N/A



Weatherford

BHA Report

Drilling Services

v4.2.2674

BHA 3 - Curve Section

RUN SUMMARY

We had pretty good BR we were staying on plan. The build rates fell off @ SURVEY DEPTH 9953' on this survey we saw about 20' of good slide and 10' of ratty slide. The differential was up and down pretty bad and could not seem to get enough reactive torque to hold a good tool face. Our differential would spike at 325 and drop off to under 100 and a few times it would go negative. We started our next slide at 9999' and we were able to drill to 10,008' (and not a very good slide). At this time the motor would not give us any reactive torque and we were not able to maintain much differential pressure. I worked out the torque from the pipe and proceeded to get on bottom feathering WOB up to 40k with no difference in differential and zero reactive torque from the motor. I talked to the company man Jeff as well as the Engineer Mr. Kurtis and decided to POOH replace the motor and at the same time dial up the motor (Impact 3rd party) to a 2.12 deg to stay on plan. At this point we need 10.8's to land the curve.



Weatherford

BHA Report

Drilling Services
v4.2.2674

BHA 4 - Curve Section

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	Tri-Cone Bit	Hughes	5216282	VGDE30C	8.75	0	0		4 1/2" REG Pin	1.00 ft	1.00 ft
1	Drilling Motor	Mpact	MSD67D18075R		8.5	0	2.52	4 1/2" IF Box	4 1/2" IF Box	30.82 ft	31.82 ft
1	Float Sub	Rig	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.52 ft
1	X/O Sub	Rig	Rig	Rig	0	0	0	4 1/2" XH Pin	4 1/2" IF Box	3.33 ft	37.85 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	41.47 ft
1	Flex NMDC TC	Weatherford	675-38680		6.2	3.25	0	4 1/2" IF Pin	4 1/2" IF Box	31.01 ft	72.48 ft
1	Flex NMDC	Weatherford	xxxxx		6.66	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.77 ft	103.25 ft
30	(30)Push Pipe 5" DR Rig				5	0	0	4 1/2" IF Pin	4 1/2" IF Box	945.67 ft	1048.92 ft
24	(24 jnts) HWDP				5	0	0	Pin	4 1/2" IF Box	727.63 ft	1776.55 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

— GENERAL INFORMATION

DATES RUN: 2012/12/13 TO 2012/12/15
DEPTH IN: 10008.00 ft ANGLE IN: 0.00 °
DEPTH OUT: 10606.00 ft ANGLE OUT: 77.98 °
DRILL HRS: 20.75 BUILD: 77.98 °
ORIENTING HRS: 20.08 HOLE MADE: 598.00 ft
ROTATING HRS: 0.67 AVG R.O.P.: 28.82 ft/hr

— MOTOR INFORMATION

MANFCT. Mpact SETTING: 2.12 °
SERIAL #: MSD67D18075R KICK PAD: No
MODEL: STABILIZER: 8.5
LOBE CFG: 7/8 MOTOR HRS: 24.33
BIT TO BEND: 6

— PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	104	0	0
STROKE VOLUME:	4.5112 gal/stk	0.0 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	445.70337 gal/min		
PUMP PRESSURE:	OFF BTM: 2600 psi	ON BTM: 2700 psi	

— MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
DENSITY: 8.8 lb/gal TEMP: 74 °F
VISCOSITY: 28 sec/qt pH: 10
WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
PLAST VISC: 1 cP SOLIDS: 2 GAS TYPE:
YIELD PT: 3 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

— BIT INFORMATION

MANFCT: Hughes TYPE: VGDE30C IADC BIT GRADE: 2 / 3 / BT / G / E / 1 / ? / TD
NOZZLES: 12, 12, 12, n/a: 0.331 in² TFA

— REASON FOR BHA CHANGE

To pick up Lateral Assembly

— FORMATION CHARACTERISTICS

1st Bone Springs Sand, 2nd Bone Spring SD,

— MWD COMMENTS

No problems with the MWD on this run, everything ran as expected.



Weatherford

BHA Report

Drilling Services
v4.2.2674

BHA 4 - Curve Section

SIDETRACKING PROCEDURE COMMENTS

N/A

RUN SUMMARY

We had pretty good BR we were staying on plan. We POOH at 10606' MD projected to bit at 86 deg. Will finish soft landing curve with the Lateral BHA. only need 2.35 deg br to land curve.

**Weatherford**

BHA Report

Drilling Services

v4.2.2674

BHA 5 - Lateral 1 Section

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN.
1	PDC Bit	Halliburton	12055998	MM66D	8.75	0	0		4 1/2" REG Pin	1.00 ft	1.00 ft
1	Drilling Motor	Mpact	MSD1723SR		8.25	0	0	4 1/2" REG Box	4 1/2" IF Box	30.88 ft	31.88 ft
1	Float Sub	Rig	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.58 ft
1	X/O Sub	Rig	Rig	Rig	0	0	0	4 1/2" XH Pin	4 1/2" IF Box	3.33 ft	37.91 ft
1	Stabilizer		SD20023		6.5	2.75	0	4 1/2" IF Pin	4 1/2" IF Box	4.36 ft	42.27 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	45.89 ft
1	SLICK NMDC	Weatherford	675-38640	Tool Carrier	6.75	3.3125	0	4 1/2" IF Pin	4 1/2" IF Box	30.68 ft	76.57 ft
1	SLICK NMDC	Weatherford	675-33973		6.5625	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.90 ft	107.47 ft
28	(28 JNTS) HWDP	Rig			0	0	0	4 1/2" IF Pin	4 1/2" IF Box	847.02 ft	954.49 ft
168	56 Stands Push pipe	Rig			5	0	0	4 1/2" IF Pin	4 1/2" IF Box	5298.03	6252.52 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

— GENERAL INFORMATION

DATES RUN: 2012/12/15 TO 2012/12/17
 DEPTH IN: 10606.00 ft ANGLE IN: 80.94 °
 DEPTH OUT: 12118.00 ft ANGLE OUT: 0.00 °
 DRILL HRS: 30.33 BUILD: -80.94 °
 ORIENTING HRS: 12.50 HOLE MADE: 1512.00 ft
 ROTATING HRS: 17.83 AVG R.O.P.: 49.85 ft/hr

— MOTOR INFORMATION

MANFCT. Mpact SETTING: 1.50 °
 SERIAL #: MSD1723SR KICK PAD: No
 MODEL: STABILIZER: 8.25
 LOBE CFG: 7/8 MOTOR HRS: 33.17
 BIT TO BEND: 6.02

— PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	60	60	0
STROKE VOLUME:	4.5112 gal/stk	4.5112 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	514.27312 gal/min		
PUMP PRESSURE:	OFF BTM: 2100 psi	ON BTM: 2650 psi	

— MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
 DENSITY: 8.9 lb/gal TEMP: 70 °F
 VISCOSITY: 29 sec/qt pH: 11
 WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
 PLAST VISC: 1 cP SOLIDS: 1.3 GAS TYPE:
 YIELD PT: 3 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

— BIT INFORMATION

MANFCT: Halliburton TYPE: MM66D IADC BIT GRADE: 2 / 3 / CT / G / X / I / ? / BHA
 NOZZLES: 0.557 in² TFA

— REASON FOR BHA CHANGE

Pick up a Motor with out a NB stabilizer

— FORMATION CHARACTERISTICS

Formation had a tendency to build with the BHA we were running

— MWD COMMENTS

Tool Performed as expected, we will rerun on next BHA



Weatherford

BHA Report

Drilling Services
v4.2.2674

BHA 5 - Lateral 1 Section

SIDETRACKING PROCEDURE COMMENTS

N/A

RUN SUMMARY

We recieved a new plan to drop TVD and our current BHA is a build assembly. We will be POOH to either change out the stabilizer (7 7/8) and pick a 8 1/2 top of motor and a NB of 8 3/8. If we cant get a hold of a stabilizer we will go in with the same stabilizer of 7 7/8 and will go slick on the motor. Currently we have Weatherford and Devon trying to locate a stabilizer.

**Weatherford**

BHA Report

Drilling Services

v1.2.2674

BHA 6 - Lateral 2 Section

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

QTY	COMPONENT	MANFCT.	SERIAL #	MODEL	O.D.	I.D.	F.N.	BOT. CONN.	TOP CONN.	LEN.	C.LEN
1	PDC Bit	Halliburton	12095232	MM66D	8.75	0	0		4 1/2" IF Pin	1.00 ft	1.00 ft
1	Drilling Motor	Mpact	MSD67D1779SR		8.25	0	0	4" IF Pin	4 1/2" IF Box	30.84 ft	31.84 ft
1	Float Sub	Rig	MSE671002		0	0	0	4 1/2" IF Pin	4 1/2" XH Box	2.70 ft	34.54 ft
1	X/O Sub	Rig	Rig	Rig	0	0	0	4 1/2" XH Pin	4 1/2" IF Box	3.33 ft	37.87 ft
1	Stabilizer		SD20023		6.5	2.75	0	4 1/2" IF Pin	4 1/2" IF Box	4.36 ft	42.23 ft
1	UBHO Sub	Weatherford	675-36609		6.625	3.1875	0	4 1/2" IF Pin	4 1/2" IF Box	3.62 ft	45.85 ft
1	SLICK NMDC	Weatherford	675-38640	Tool Carrier	6.75	3.3125	0	4 1/2" IF Pin	4 1/2" IF Box	30.68 ft	76.53 ft
1	SLICK NMDC	Weatherford	675-33973		6.5625	2.875	0	4 1/2" IF Pin	4 1/2" IF Box	30.90 ft	107.43 ft
28	(28 JNTS) HWDP	Rig			0	0	0	4 1/2" IF Pin	4 1/2" IF Box	847.02 ft	954.45 ft
168	56 Stands Push pip	Rig			5	0	0	4 1/2" IF Pin	4 1/2" IF Box	5298.03	6252.48 ft

(O.D. units are in; I.D. units are in; FNeck units are ft)

— GENERAL INFORMATION

DATES RUN: 2012/12/17 TO 2012/12/24
 DEPTH IN: 12118.00 ft ANGLE IN: 90.42 °
 DEPTH OUT: 14350.00 ft ANGLE OUT: 0.00 °
 DRILL HRS: 34.08 BUILD: -90.42 °
 ORIENTING HRS: 7.08 HOLE MADE: 112811.00 ft
 ROTATING HRS: 27.00 AVG R.O.P.: 3310.18 ft/hr

— MOTOR INFORMATION

MANFCT. Mpact SETTING: 1.50 °
 SERIAL #: MSD67D1779SR KICK PAD: No
 MODEL: STABILIZER: No
 LOBE CFG: 7/8 MOTOR HRS: 52.83
 BIT TO BEND: 6.01

— PUMP INFORMATION

PUMPS	PUMP 1	PUMP 2	PUMP 3
EFFICIENCY:	95.0%	95.0%	100.0%
S.P.M.:	0	0	0
STROKE VOLUME:	0.0 gal/stk	0.0 gal/stk	0.0 gal/stk
TOTAL FLOW RATE:	0 gal/min		
PUMP PRESSURE:	OFF BTM: 0 psi	ON BTM: 0 psi	

— MUD INFORMATION

MUD TYPE: Water LIQUID BASE: Water
 DENSITY: 8.9 lb/gal TEMP: 0 °F
 VISCOSITY: 28 sec/qt pH: 9
 WTR LOSS: 0 cc/30min SAND: 0 LIQUID RATE: 0 gal/min
 PLAST VISC: 0 cP SOLIDS: 0 GAS TYPE:
 YIELD PT: 0 lb/100 ft² OIL: 0 GAS RATE: 0 cu ft/min

— BIT INFORMATION

MANFCT: Halliburton TYPE: MM66D IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD
 NOZZLES: 0.557 in² TFA

— REASON FOR BHA CHANGE

Td .

— FORMATION CHARACTERISTICS

After changing out the build BHA we were able to drop off on inclination as per plan.

— MWD COMMENTS

Tool Performed as expected, we will rerun on next BHA.



Weatherford

BHA Report

Drilling Services

v4.2.2674

BHA 6 - Lateral 2 Section

SIDETRACKING PROCEDURE COMMENTS

N/A

RUN SUMMARY

12/20/12 @ 1:30 pm.

Talked to the Wade the company man and the fisherman and they said that the pipe was stuck in casing @ 2751' (pipe has collapsed) Currently we are waiting on a "Stuck pipe Loggers" to determine exactly if collapsed.

Then they will back off pipe, lay it down and go in with a mill assembly and a magnet assembly. Said that this could take several days. Want us to go on stand by for lower cost.

12/21/12

Currently at 10pm They were still milling on the casing. Will mill untill sometime in the morning. 8/10 am. According to the company man Mr. Wade Kelsoe. I will give you all a progress report sometime after noon.

12/23/12

Currently we are POOH to pick up another mill assembly. Once we mill we will laydown tools and wait on orders. They dont know if they will lay us down and call the well or pick us up later to finish the well plan.

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services
v4.2.26/4

BHA 1 - Vertical Departure Section, Motor #675-3756

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USACompany Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:BHA #: 1
DATE IN: 2012/12/09
DATE OUT: 2012/12/10
ANGLE IN: 0.00 °
ANGLE OUT: 0.00 °
ORIENTING HRS: 4.75
START DEPTH: 0.00 ft
END DEPTH: 8640.00 ft
HOLE MADE: 8640.00 ft
AVG ROP: 346.71 ft/hr
ROTATING HRS: 20.17**MOTOR INFORMATION:**MANFCT: Weatherford
SERIAL #: 675-3756
MODEL:
LOBE: 7/8
SETTING: 1.50 °
BIT TO BEND: 6.23 ft
KICKPAD: No
STABILIZER: 8.50**DRILLING INFORMATION:**BIT TYPE: VGD-E30C
BIT PRESS DROP: 0.00 psi
MTR PRESS DROP: 0.00 psi
IADC BIT GRADE: 3 / 8 / BT / G / N / 2 / WT / PR
TOTAL FLOW RATE: 514.27 gal/min
NOZZLES: 12, 12, 12, n/a: 0.331 in² TFA
PUMP PRESS: (OFF) 2285.00 psi
(ON) 2385.00 psi**MUD INFORMATION:**MUD TYPE: Water
DENSITY: 9 lb/gal
SAND: 0.000
SOLIDS: 0.400
OIL: 0.000
TEMP: 65 °F
LIQUID BASE: Water
VISCOSITY: 29 sec/qt
WATER LOSS: 0.00 cc/30min
PLASTIC VISC: 1.0 cP
YIELD POINT: 1.0 lb/100 ft²
pH: 12.0
LIQUID RATE: 0.00 gal/min
GAS TYPE:
GAS RATE: 0.00 cu ft/min
(All units are imperial.)**TIME INFORMATION:**CIRCULATING HOURS: 6.08
REAMING HOURS: 0.00
TIME DRILL HOURS: 0.00
MOTOR DRILL HOURS: 24.92
MOTOR HOURS THIS RUN: 31.00
PREVIOUS HOURS: 0.00
TOTAL MOTOR HOURS: 31.00
TOTAL BRT HOURS: 31.00**MOTOR EVALUATION COMMENTS:**

Will re-run

REASON FOR BHA CHANGE:

Change bit & pick up 10 more joints of HWDP

COMMENTS FROM LAST DAY RAN:

00:00 - 14:15 Drilling F/ 8,215' - 8,640'

We will TOO H to change the bit and pick up 10 HWDP

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services
v4.2.2674

BHA 2 - Vertical Departure Section, Motor #675-3756

FILE #: 4028184 WELL NAME: Gaucho Unit #7 Re-entry SERVICE CO.: Precision Energy Services
JOB TYPE: COMPANY: Devon Energy Corp SURVEY TYPE: Positive Pulse MWD
RIG & NO: H & P 416 SURFACE LOCATION: FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:

BHA #: 2 START DEPTH: 8640.00 ft
DATE IN: 2012/12/10 END DEPTH: 9803.00 ft
DATE OUT: 2012/12/12 HOLE MADE: 1163.00 ft
ANGLE IN: 0.00 ° AVG ROP: 40.34 ft/hr
ANGLE OUT: 1.51 °
ORIENTING HRS: 7.92 ROTATING HRS: 20.92

MOTOR INFORMATION:

MANFCT: Weatherford
SERIAL #: 675-3756
MODEL:
LOBE: 7/8 BIT TO BEND: 6.23 ft
SETTING: 1.50 ° KICKPAD: No
STABILIZER: No

DRILLING INFORMATION:

BIT TYPE: Q506FX IADC BIT GRADE: 2 / 3 / CT / G / X / ? / ? / TD
BIT PRESS DROP: 0.00 psi TOTAL FLOW RATE: 514.27 gal/min PUMP PRESS: (OFF) 1675.00 psi
MTR PRESS DROP: 0.00 psi NOZZLES: 0.663 in² TFA (ON) 2000.00 psi

MUD INFORMATION:

MUD TYPE: Water LIQUID BASE: Water (All units are imperial.)
DENSITY: 9 lb/gal VISCOSITY: 28 sec/qt
SAND: 0.000 WATER LOSS: 0.00 cc/30min LIQUID RATE: 0.00 gal/min
SOLIDS: 1.800 PLASTIC VISC: 1.0 cP GAS TYPE:
OIL: 0.000 YIELD POINT: 4.0 lb/100 ft² GAS RATE: 0.00 cu ft/min
TEMP: 67 °F pH: 12.0

TIME INFORMATION:

CIRCULATING HOURS: 3.25
REAMING HOURS: 0.00
TIME DRILL HOURS: 0.00
MOTOR DRILL HOURS: 28.83
MOTOR HOURS THIS RUN: 32.08
PREVIOUS HOURS: 31.00
TOTAL MOTOR HOURS: 63.08
TOTAL BRT HOURS: 32.08

MOTOR EVALUATION COMMENTS:

Was not able to drain the motor due to a non-operable rotary table.

REASON FOR BHA CHANGE:

TD the Vertical section. Will pick up the curv assembly.

COMMENTS FROM LAST DAY RAN:

00:00 - 09:00 Drilling F/ 9,423' - 9803'

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services

v4.2.2674

BHA 3 - Curve Section, Motor #675-3625

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:

BHA #: 3
 DATE IN: 2012/12/12
 DATE OUT: 2012/12/13
 ANGLE IN: 0.00 °
 ANGLE OUT: 0.00 °
 ORIENTING HRS: 10.50
 START DEPTH: 9803.00 ft
 END DEPTH: 10008.00 ft
 HOLE MADE: 205.00 ft
 AVG ROP: 19.07 ft/hr
 ROTATING HRS: 0.25

MOTOR INFORMATION:

MANFCT: Weatherford
 SERIAL #: 675-3625
 MODEL:
 LOBE: 7/8
 SETTING: 1.83 °
 BIT TO BEND: 6.21 ft
 KICKPAD: No
 STABILIZER: 8.5

DRILLING INFORMATION:

BIT TYPE: VGD-E30C
 BIT PRESS DROP: 0.00 psi
 MTR PRESS DROP: 0.00 psi
 IADC BIT GRADE: 2 / 2 / BT / G / E / / / ? / DMF
 TOTAL FLOW RATE: 525.00 gal/min
 NOZZLES: 1.83 in² TFA
 PUMP PRESS: (OFF) 2750.00 psi
 (ON) 3000.00 psi

MUD INFORMATION:

MUD TYPE: Water
 DENSITY: 9 lb/gal
 SAND: 0.000
 SOLIDS: 2.000
 OIL: 0.000
 TEMP: 74 °F
 LIQUID BASE: Water
 VISCOSITY: 28 sec/qt
 WATER LOSS: 0.00 cc/30min
 PLASTIC VISC: 1.0 cP
 YIELD POINT: 3.0 lb/100 ft²
 pH: 10.0
 LIQUID RATE: 0.00 gal/min
 GAS TYPE:
 GAS RATE: 0.00 cu ft/min
 (All units are imperial.)

TIME INFORMATION:

CIRCULATING HOURS: 0.75
 REAMING HOURS: 0.00
 TIME DRILL HOURS: 0.00
 MOTOR DRILL HOURS: 10.75
 MOTOR HOURS THIS RUN: 11.50
 PREVIOUS HOURS: 0.00
 TOTAL MOTOR HOURS: 11.50
 TOTAL BRT HOURS: 11.75

MOTOR EVALUATION COMMENTS:

Not able to drain due to no rotary table. I was not able to get any re-active torque or diffencial from this motor.

REASON FOR BHA CHANGE:

Motor failure. Pick up new motor and bit.

COMMENTS FROM LAST DAY RAN:

Drilling F/ 9,803' - 10,008'

We had pretty good BR we were staying on plan. The build rates fell off @ SURVEY DEPTH 9953' on this survey we saw about 20' of good slide and 10' of ratty slide. The differential was up and down pretty bad and could not seem to get enough reactive torque to hold a good toolface. Our differential would spike at 325 and drop off to under 100 and a few times it would go negative. We started



Weatherford

Motor / RSS Evaluation Report

Drilling Services

vd.2.2674

BHA 3 - Curve Section, Motor #675-3625

our next slide at 9999' and we were able to drill to 10,008'. At this time the motor would not give us any reactive torque and we were not able to maintain much differential pressure. I worked out the if any torque from the pipe a proceeded to get on bottom feathering WOB up to 40k with no difference in differential and zero reactive torque from the motor. Talked to the company man Jeff as well as the Engineer Mr. Kurtis and decided to POOH replace the motor and dial up the motor to a 2.12 deg.

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services
v4.2.2674

BHA 4 - Curve Section, Motor #MSD67D18075R

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USACompany Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:BHA #: 4
DATE IN: 2012/12/13
DATE OUT: 2012/12/15
ANGLE IN: 0.00 °
ANGLE OUT: 77.98 °
ORIENTING HRS: 20.08
START DEPTH: 10008.00 ft
END DEPTH: 10606.00 ft
HOLE MADE: 598.00 ft
AVG ROP: 28.82 ft/hr
ROTATING HRS: 0.67**MOTOR INFORMATION:**MANFCT: Mpact
SERIAL #: MSD67D18075R
MODEL:
LOBE: 7/8
SETTING: 2.12 °
BIT TO BEND: 6 ft
KICKPAD: No
STABILIZER: 8.5**DRILLING INFORMATION:**BIT TYPE: VGDE30C
BIT PRESS DROP: 0.00 psi
MTR PRESS DROP: 0.00 psi
IADC BIT GRADE: 2 / 3 / BT / G / E / 1 / ? / TD
TOTAL FLOW RATE: 445.70 gal/min
NOZZLES: 12, 12, 12, n/a: 0.331 in² TFA
PUMP PRESS: (OFF) 2600.00 psi
(ON) 2700.00 psi**MUD INFORMATION:**MUD TYPE: Water
DENSITY: 9 lb/gal
SAND: 0.000
SOLIDS: 2.000
OIL: 0.000
TEMP: 74 °F
LIQUID BASE: Water
VISCOSITY: 28 sec/qt
WATER LOSS: 0.00 cc/30min
PLASTIC VISC: 1.0 cP
YIELD POINT: 3.0 lb/100 ft²
pH: 10.0
LIQUID RATE: 0.00 gal/min
GAS TYPE:
GAS RATE: 0.00 cu ft/min
(All units are imperial.)**TIME INFORMATION:**CIRCULATING HOURS: 3.58
REAMING HOURS: 0.00
TIME DRILL HOURS: 0.00
MOTOR DRILL HOURS: 20.75
MOTOR HOURS THIS RUN: 24.33
PREVIOUS HOURS: 0.00
TOTAL MOTOR HOURS: 24.33
TOTAL BRT HOURS: 24.33**MOTOR EVALUATION COMMENTS:**

3rd Party Mpact motor

REASON FOR BHA CHANGE:

To pick up Lateral Assembly

COMMENTS FROM LAST DAY RAN:

Drilling F/ 10,449' - 10,606' TD

Will soft land the curve with the lateral assembly. We are 86.31 at the bit.

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services

v4.2.2674

BHA 5 - Lateral 1 Section, Motor #MSD1723SR

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:

BHA #: 5
 DATE IN: 2012/12/15
 DATE OUT: 2012/12/17
 ANGLE IN: 80.94 °
 ANGLE OUT: 0.00 °
 ORIENTING HRS: 12.50
 START DEPTH: 10606.00 ft
 END DEPTH: 12118.00 ft
 HOLE MADE: 1512.00 ft
 AVG ROP: 49.85 ft/hr
 ROTATING HRS: 17.83

MOTOR INFORMATION:

MANFCT: Mpack
 SERIAL #: MSD1723SR
 MODEL:
 LOBE: 7/8
 SETTING: 1.50 °
 BIT TO BEND: 6.02 ft
 KICKPAD: No
 STABILIZER: 8.25

DRILLING INFORMATION:

BIT TYPE: MM66D
 BIT PRESS DROP: 0.00 psi
 MTR PRESS DROP: 0.00 psi
 IADC BIT GRADE: 2 / 3 / CT / G / X / I / ? / BHA
 TOTAL FLOW RATE: 514.27 gal/min
 NOZZLES: 0.557 in² TFA
 PUMP PRESS: (OFF) 2100.00 psi
 (ON) 2650.00 psi

MUD INFORMATION:

MUD TYPE: Water
 DENSITY: 9 lb/gal
 SAND: 0.000
 SOLIDS: 1.300
 OIL: 0.000
 TEMP: 70 °F
 LIQUID BASE: Water
 VISCOSITY: 29 sec/qt
 WATER LOSS: 0.00 cc/30min
 PLASTIC VISC: 1.0 cP
 YIELD POINT: 3.0 lb/100 ft²
 pH: 11.0
 LIQUID RATE: 0.00 gal/min
 GAS TYPE:
 GAS RATE: 0.00 cu ft/min
 (All units are imperial.)

TIME INFORMATION:

CIRCULATING HOURS: 2.83
 REAMING HOURS: 0.00
 TIME DRILL HOURS: 0.00
 MOTOR DRILL HOURS: 30.33
 MOTOR HOURS THIS RUN: 33.17
 PREVIOUS HOURS: 0.00
 TOTAL MOTOR HOURS: 33.17
 TOTAL BRT HOURS: 33.17

MOTOR EVALUATION COMMENTS:

JETTS 6 X 11'S

REASON FOR BHA CHANGE:

Pick up a Motor with out a NB stabilizer

COMMENTS FROM LAST DAY RAN:

Drilling F/ 11,673' - 12,118'

We recieved a new plan to drop TVD and our current BHA is a build assembly. We will be POOH to either change out the stabilizer (7 / 7/8) and pick a 8 1/2 top of motor and a NB of 8 / 3/8. If we cant get a hold of a stabilizer we will go in with the same stabilizer of 7 / 7/8 and will go slick on the motor. Currently we have Weatherford and Devon trying to locate a stabilizer.

**Weatherford**

Motor / RSS Evaluation Report

Drilling Services
v4.2.2674**BHA 6 - Lateral 2 Section, Motor #MSD67D1779SR**FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USACompany Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA SURVEY TYPE: Positive Pulse MWD

HOLE SIZE: 8.75 in

GENERAL INFORMATION:BHA #: 6
DATE IN: 2012/12/17
DATE OUT: 2012/12/24
ANGLE IN: 90.42 °
ANGLE OUT: 0.00 °
ORIENTING HRS: 7.08
START DEPTH: 12118.00 ft
END DEPTH: 14350.00 ft
HOLE MADE: 112811.00 ft
AVG ROP: 3310.18 ft/hr
ROTATING HRS: 27.00**MOTOR INFORMATION:**MANFCT: Mpact
SERIAL #: MSD67D1779SR
MODEL:
LOBE: 7/8
SETTING: 1.50 °
BIT TO BEND: 6.01 ft
KICKPAD: No
STABILIZER: No**DRILLING INFORMATION:**BIT TYPE: MM66D
BIT PRESS DROP: 0.00 psi
MTR PRESS DROP: 0.00 psi
IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD
TOTAL FLOW RATE: 0.00 gal/min
NOZZLES: 0.557 in² TFA
PUMP PRESS: (OFF) 0.00 psi
(ON) 0.00 psi**MUD INFORMATION:**MUD TYPE: Water
DENSITY: 9 lb/gal
SAND: 0.000
SOLIDS: 0.000
OIL: 0.000
TEMP: 0 °F
LIQUID BASE: Water
VISCOSITY: 28 sec/qt
WATER LOSS: 0.00 cc/30min
PLASTIC VISC: 0.0 cP
YIELD POINT: 0.0 lb/100 ft²
pH: 9.0
LIQUID RATE: 0.00 gal/min
GAS TYPE:
GAS RATE: 0.00 cu ft/min
(All units are imperial.)**TIME INFORMATION:**CIRCULATING HOURS: 18.75
REAMING HOURS: 0.00
TIME DRILL HOURS: 0.00
MOTOR DRILL HOURS: 34.08
MOTOR HOURS THIS RUN: 52.83
PREVIOUS HOURS: 0.00
TOTAL MOTOR HOURS: 52.83
TOTAL BRT HOURS: 52.83**MOTOR EVALUATION COMMENTS:**

3rd party motor 6 x 11's

REASON FOR BHA CHANGE:

Td .

COMMENTS FROM LAST DAY RAN:



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Slide Sheet Report

BHA 1 - 2012/12/09 TO 2012/12/10

Drilling Services
v4.2 2574

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce

DIR Supervisor: Rene Rosas, Tyrell Shoaf

MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 1	DATES RUN: 2012/12/09 TO 2012/12/10	SECTION: Vertical D	TOOLFACE OFFSET: 46 ft
MOTOR SETTING: 1.50 ° KICKPAD: No	STABILIZER: 8.50	MODEL:	SERIAL NO: 675-3756 BHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT	SURVEY			ORIENTING			ROTATING			SLIDE			BUR			COMMENTS
	DEPTH	DRILLED	DEPTH	INC	AZM	TF	FROM	TO	FEET	FROM	TO	FEET	SEEN	BUR	/ft	
7840.00	106.00	7794.00	0.00	0.00	0.00	179 MTF	7840.00	7910.00	70.00	7910.00	7946.00	36.00	0.00	0.00	0.00	0.00
7946.00	80.00	7900.00	5.97	183.01	10L		7946.00	7956.00	10.00	7956.00	8026.00	70.00	60.00	0.10	5.63	
8026.00	95.00	7980.00	6.92	179.13	HS		8026.00	8036.00	10.00	8036.00	8121.00	85.00	20.00	0.05	1.19	
8121.00	94.00	8075.00	8.46	178.91			8121.00	8121.00	0.00	8121.00	8215.00	94.00	10.00	0.15	1.62	
8215.00	95.00	8169.00	8.06	177.60			8215.00	8215.00	0.00	8215.00	8310.00	95.00	0.00	0.00	-0.43	
8310.00	94.00	8264.00	8.40	180.53			8310.00	8310.00	0.00	8310.00	8404.00	94.00	0.00	0.00	0.36	
8404.00	95.00	8358.00	8.58	178.49			8404.00	8404.00	0.00	8404.00	8499.00	95.00	0.00	0.00	0.19	
8499.00	95.00	8453.00	7.95	179.01			8499.00	8499.00	0.00	8499.00	8594.00	95.00	0.00	0.00	-0.66	
8594.00	46.00	8548.00	8.20	180.40			8594.00	8594.00	0.00	8594.00	8640.00	46.00	0.00	0.00	0.26	POOH FOR BIT
8640.00	0.00	8594.00	0.00	0.00			8640.00	8640.00	0.00	8640.00	8640.00	0.00	0.00	0.00	-17.83	

Totals:	90.00 ft	710.00 ft
Percentages:	11.3%	88.8%
Time:	4.75 hrs	20.17 hrs
Percentages:	19.1%	80.9%



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Slide Sheet Report

BHA 2 - 2012/12/10 TO 2012/12/12

Drilling Services
v4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce

DIR Supervisor: Rene Rosas, Tyrell Shoaf

MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 2	DATES RUN: 2012/12/10 TO 2012/12/12	SECTION: Vertical D	TOOLFACE OFFSET: 46 ft
MOTOR SETTING: 1.50 ° KICKPAD: No	STABILIZER: No	MODEL:	SERIAL NO: 675-3756 BHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT DEPTH	DRILLED	SURVEY		ORIENTING				ROTATING				SLIDE		BUR	
		DEPTH	INC	AZM	TF	FROM	TO	FEET	FROM	TO	FEET	SEEN	/ft	/100ft	COMMENTS
8640.00	10.00	8594.00	0.00	0.00		8640.00	8640.00	0.00	8640.00	8650.00	10.00	0.00	0.00	0.00	
8650.00	26.00	8604.00	0.00	0.00	180	8650.00	8662.00	12.00	8652.00	8676.00	14.00	0.00	0.00	0.00	
8676.00	32.00	8630.00	0.00	0.00	180	8676.00	8686.00	10.00	8686.00	8708.00	22.00	0.00	0.00	0.00	
8708.00	94.00	8662.00	7.05	179.87	180	8708.00	8723.00	15.00	8723.00	8802.00	79.00	12.00	0.59	22.03	
8802.00	95.00	8756.00	5.72	185.47	160L	8802.00	8827.00	25.00	8827.00	8897.00	70.00	25.00	-0.05	-1.41	
8897.00	6.00	8851.00	4.34	172.51		8897.00	8897.00	0.00	8897.00	8903.00	6.00	25.00	-0.06	-1.45	
8903.00	89.00	8857.00	0.00	0.00	170R	8903.00	8948.00	45.00	8948.00	8992.00	44.00	0.00	0.00	-72.33	
8992.00	10.00	8946.00	2.45	188.21		8992.00	8992.00	0.00	8992.00	9002.00	10.00	43.00	0.06	2.75	
9002.00	85.00	8956.00	0.00	0.00	180 GTF	9002.00	9037.00	35.00	9037.00	9087.00	50.00	2.00	-1.23	-24.50	
9087.00	94.00	9041.00	0.10	228.00		9087.00	9087.00	0.00	9087.00	9181.00	94.00	35.00	0.00	0.12	
9181.00	95.00	9135.00	0.41	123.12		9181.00	9181.00	0.00	9181.00	9276.00	95.00	0.00	0.00	0.33	
9276.00	95.00	9230.00	0.47	166.70		9276.00	9276.00	0.00	9276.00	9371.00	95.00	0.00	0.00	0.06	
9371.00	94.00	9325.00	1.07	139.92		9371.00	9371.00	0.00	9371.00	9465.00	94.00	0.00	0.00	0.63	
9465.00	95.00	9419.00	1.29	99.99		9465.00	9465.00	0.00	9465.00	9560.00	95.00	0.00	0.00	0.23	
9560.00	94.00	9514.00	1.02	121.10		9560.00	9560.00	0.00	9560.00	9654.00	94.00	0.00	0.00	-0.28	
9654.00	95.00	9608.00	1.55	121.36	300	9654.00	9659.00	5.00	9659.00	9749.00	90.00	0.00	0.00	0.56	
9749.00	54.00	9703.00	1.13	108.53		9749.00	9749.00	0.00	9749.00	9803.00	54.00	5.00	-0.08	-0.44	
9803.00	0.00	9757.00	1.51	124.50		9803.00	9803.00	0.00	9803.00	9803.00	0.00	0.00	0.00	0.70 TD	

Totals:	147.00 ft	1016.00 ft
Percentages:	12.6%	87.4%
Time:	7.92 hrs	20.92 hrs
Percentages:	27.5%	72.5%



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Slide Sheet Report

BHA 3 - 2012/12/12 TO 2012/12/13

Drilling Services
V4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 3 DATES RUN: 2012/12/12 TO 2012/12/13 SECTION: Curve TOOLFACE OFFSET: 46 ft
MOTOR SETTING: 1.83 ° KICKPAD: No STABILIZER: 8.5 MODEL: SERIAL NO: 675-3625 BHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT DEPTH DRILLED	SURVEY			ORIENTING			ROTATING			SLIDE		BUR	
	DEPTH	INC	AZM	TF	FROM	TO	FEET	FROM	TO	FEET	SEEN	/ft	/100ft
9803.00	7.00	9757.00	0.00	0.00	9803.00	9803.00	0.00	9803.00	9810.00	7.00	0.00	0.00	0.00
9810.00	31.00	9764.00	0.00	0.00	9810.00	9841.00	31.00	9841.00	9841.00	0.00	0.00	0.00	0.00
9841.00	32.00	9795.00	1.54	122.18	9841.00	9873.00	32.00	9873.00	9873.00	0.00	0.00	0.00	4.97
9873.00	31.00	9827.00	3.45	154.88	9873.00	9904.00	31.00	9904.00	9904.00	0.00	17.00	0.11	5.97
9904.00	32.00	9858.00	6.02	161.42	9904.00	9936.00	32.00	9936.00	9936.00	0.00	31.00	0.08	8.29
9936.00	31.00	9890.00	8.92	159.94	9936.00	9967.00	31.00	9967.00	9967.00	0.00	32.00	0.09	9.06
9967.00	32.00	9921.00	11.51	161.86	9967.00	9999.00	32.00	9999.00	9999.00	0.00	31.00	0.08	8.35
9999.00	9.00	9953.00	13.49	162.42	9999.00	10008.00	9.00	10008.00	10008.00	0.00	32.00	0.06	6.19
10008.00	0.00	9962.00	0.00	0.00	10008.00	10008.00	0.00	10008.00	10008.00	0.00	9.00	-1.50	-149.89

Totals:	198.00 ft	7.00 ft
Percentages:	96.6%	3.4%
Time:	10.50 hrs	0.25 hrs
Percentages:	97.7%	2.3%



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Slide Sheet Report

BHA 4 - 2012/12/13 TO 2012/12/15

Drilling Services
v4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 4	DATES RUN: 2012/12/13 TO 2012/12/15	SECTION: Curve	TOOLFACE OFFSET: 54 ft
MOTOR SETTING: 2.12° KICKPAD: No	STABILIZER: 8.5	MODEL:	SERIAL NO: MSD67D18075RBHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT DEPTH DRILLED	SURVEY DEPTH	INC	AZM	TF	ORIENTING			ROTATING			SLIDE		BUR /100ft	COMMENTS
					FROM	TO	FEET	FROM	TO	FEET	SEEN	ft		
10008.00	31.00	9954.00	0.00	0.00	HS	10008.00	10039.00	31.00	10039.00	10039.00	0.00	0.00	0.00	0.00
10039.00	31.00	9985.00	15.04	159.62	HS	10039.00	10070.00	31.00	10070.00	10070.00	0.00	0.00	0.00	48.52
10070.00	32.00	10016.00	17.40	160.45	HS	10070.00	10102.00	32.00	10102.00	10102.00	0.00	8.00	0.29	7.61
10102.00	31.00	10048.00	20.57	161.66	HS	10102.00	10133.00	31.00	10133.00	10133.00	0.00	32.00	0.10	9.91
10133.00	32.00	10079.00	24.72	164.53	20R	10133.00	10165.00	32.00	10165.00	10165.00	0.00	31.00	0.13	13.39
10165.00	31.00	10111.00	28.65	165.21	HS	10165.00	10196.00	31.00	10196.00	10196.00	0.00	32.00	0.12	12.28
10196.00	32.00	10142.00	31.80	167.65	HS	10196.00	10228.00	32.00	10228.00	10228.00	0.00	31.00	0.10	10.16
10228.00	32.00	10174.00	35.70	169.04	HS	10228.00	10260.00	32.00	10260.00	10260.00	0.00	32.00	0.12	12.19
10260.00	31.00	10206.00	39.06	170.21	HS	10260.00	10291.00	31.00	10291.00	10291.00	0.00	32.00	0.10	10.50
10291.00	32.00	10237.00	41.79	172.20	HS	10291.00	10323.00	32.00	10323.00	10323.00	0.00	31.00	0.09	8.81
10323.00	31.00	10269.00	43.06	172.79	HS	10323.00	10355.00	32.00	10355.00	10354.00	-1.00	32.00	0.04	3.97
10354.00	32.00	10300.00	46.76	172.81	HS	10354.00	10386.00	32.00	10386.00	10386.00	0.00	31.00	0.12	11.94
10386.00	31.00	10332.00	49.80	173.49	HS	10386.00	10417.00	31.00	10417.00	10417.00	0.00	32.00	0.09	9.50
10417.00	32.00	10363.00	53.94	174.53	HS	10417.00	10449.00	32.00	10449.00	10449.00	0.00	32.00	0.13	13.35
10449.00	31.00	10395.00	58.07	174.69	HS	10449.00	10480.00	31.00	10480.00	10480.00	0.00	32.00	0.13	12.91
10480.00	32.00	10426.00	61.88	175.61	HS	10480.00	10512.00	32.00	10512.00	10512.00	0.00	31.00	0.12	12.29
10512.00	31.00	10458.00	65.66	176.45	HS	10512.00	10543.00	31.00	10543.00	10543.00	0.00	32.00	0.12	11.81
10543.00	32.00	10489.00	69.47	177.42	HS	10543.00	10575.00	32.00	10575.00	10575.00	0.00	31.00	0.12	12.29
10575.00	31.00	10521.00	73.20	177.17	HS	10575.00	10606.00	31.00	10606.00	10606.00	0.00	32.00	0.12	11.66
10606.00	0.00	10552.00	77.98	177.40		10606.00	10606.00	0.00	10606.00	10606.00	0.00	31.00	0.15	15.42 TD CURVE

Totals:	599.00 ft	-1.00 ft
Percentages:	100.2%	-0.2%
Time:	20.08 hrs	0.67 hrs
Percentages:	96.8%	3.2%



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Slide Sheet Report

BHA 5 - 2012/12/15 TO 2012/12/17

Drilling Services
v4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 5	DATES RUN: 2012/12/15 TO 2012/12/17	SECTION: Lateral 1	TOOLFACE OFFSET: 60 ft
MOTOR SETTING: 1.50 ° KICKPAD: No	STABILIZER: 8.25	MODEL:	SERIAL NO: MSD1723SR BHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT DEPTH DRILLED	SURVEY DEPTH	INC	AZM	TF	ORIENTING		ROTATING		SLIDE		BUR	
					FROM	TO	FEET	FROM	TO	FEET	SEEN	BUR /ft
10635.00	32.00	10575.00	80.94	177.41	HS	10635.00	10667.00	32.00	10667.00	10667.00	0.00	0.00
10667.00	31.00	10607.00	84.76	178.25	HS	10667.00	10698.00	31.00	10698.00	10698.00	0.00	11.94
10698.00	32.00	10638.00	86.92	178.74	120R	10698.00	10723.00	25.00	10723.00	10730.00	7.00	6.97
10730.00	32.00	10670.00	90.21	179.28		10730.00	10730.00	0.00	10730.00	10762.00	32.00	10.28
10762.00	31.00	10702.00	90.98	180.71		10762.00	10762.00	0.00	10762.00	10793.00	31.00	2.41
10793.00	95.00	10733.00	90.70	181.80	120R	10793.00	10813.00	20.00	10813.00	10888.00	75.00	-0.90
10888.00	95.00	10828.00	90.70	183.81		10888.00	10888.00	0.00	10888.00	10983.00	95.00	0.00
10983.00	94.00	10923.00	91.40	183.73	150R	10983.00	11003.00	20.00	11003.00	11077.00	74.00	0.74
11077.00	0.00	11017.00	0.00	0.00		11077.00	11077.00	0.00	11077.00	11077.00	0.00	-97.23
11077.00	0.00	11017.00	0.00	0.00		11077.00	11077.00	0.00	11077.00	11077.00	0.00	0.00
11077.00	95.00	11017.00	90.49	184.68		11077.00	11077.00	0.00	11077.00	11172.00	95.00	0.00
11172.00	95.00	11112.00	91.26	184.97	150L	11172.00	11197.00	25.00	11197.00	11267.00	70.00	0.81
11267.00	94.00	11207.00	90.00	184.40		11267.00	11267.00	0.00	11267.00	11361.00	94.00	-1.33
11361.00	95.00	11301.00	90.63	184.64	120L	11361.00	11386.00	25.00	11386.00	11456.00	70.00	0.67
11456.00	94.00	11396.00	91.19	184.29	100L	11456.00	11481.00	25.00	11481.00	11550.00	69.00	0.59
11550.00	95.00	11490.00	90.49	183.09	90L	11550.00	11585.00	35.00	11585.00	11645.00	60.00	-0.74
11645.00	94.00	11585.00	89.72	180.02		11645.00	11645.00	0.00	11645.00	11739.00	94.00	-0.81
11739.00	95.00	11679.00	90.42	180.23	100L	11739.00	11764.00	25.00	11764.00	11834.00	70.00	0.74
11834.00	94.00	11774.00	90.14	177.77		11834.00	11834.00	0.00	11834.00	11928.00	94.00	-0.29
11928.00	95.00	11868.00	90.56	177.83		11928.00	11928.00	0.00	11928.00	12023.00	95.00	0.45
12023.00	95.00	11963.00	91.40	177.90	180	12023.00	12038.00	15.00	12038.00	12118.00	80.00	0.88
12118.00	0.00	12058.00	0.00	0.00		12118.00	12118.00	0.00	12118.00	12118.00	0.00	-96.21
											15.00	-6.09



BHA 5 - 2012/12/15 TO 2012/12/17

Totals:	278.00 ft	1205.00 ft
Percentages:	18.7%	81.3%
Time:	12.50 hrs	17.83 hrs
Percentages:	41.2%	58.8%



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Slide Sheet Report

BHA 6 - 2012/12/17 TO 2012/12/24

Drilling Services
v4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

BHA NO: 6	DATES RUN: 2012/12/17 TO 2012/12/24	SECTION: Lateral 2	TOOLFACE OFFSET: 60 ft
MOTOR SETTING: 1.50 ° KICKPAD: No	STABILIZER: No	MODEL:	SERIAL NO: MSD67D1779SRBHA SURVEY TYPE: Positive Pulse MWD

(Distances are shown in feet.)

BIT DEPTH DRILLED	SURVEY DEPTH	INC	AZM	TF	ORIENTING			ROTATING			SLIDE			BUR	
					FROM	TO	FEET	FROM	TO	FEET	SEEN	FT	BUR	/ft	COMMENTS
12118.00	94.00	12058.00	90.42	177.89	12118.00	12118.00	0.00	12118.00	12212.00	94.00	0.00	0.00	0.00	0.00	0.00
12212.00	32.00	12152.00	90.63	177.63	12212.00	12212.00	0.00	12212.00	12244.00	32.00	0.00	0.00	0.00	0.00	0.22
12244.00	63.00	12184.00	0.00	0.00 120R	12244.00	12264.00	20.00	12264.00	12307.00	43.00	0.00	0.00	0.00	0.00	-283.22
12307.00	95.00	12247.00	89.72	177.85	12307.00	12307.00	0.00	12307.00	12402.00	95.00	3.00	29.91	142.41	29.91	142.41
12402.00	95.00	12342.00	88.53	177.73 120R	12402.00	12422.00	20.00	12422.00	12497.00	75.00	17.00	-0.07	-1.25	-0.07	-1.25
12497.00	94.00	12437.00	88.05	178.29	12497.00	12497.00	0.00	12497.00	12591.00	94.00	20.00	-0.02	-0.51	-0.02	-0.51
12591.00	95.00	12531.00	86.79	177.69 50R	12591.00	12626.00	35.00	12626.00	12686.00	60.00	0.00	0.00	-1.34	0.00	-1.34
12686.00	95.00	12626.00	88.39	179.45 20R	12686.00	12711.00	25.00	12711.00	12781.00	70.00	35.00	0.05	1.68	0.05	1.68
12781.00	94.00	12721.00	89.65	179.77	12781.00	12781.00	0.00	12781.00	12875.00	94.00	25.00	0.05	1.33	0.05	1.33
12875.00	95.00	12815.00	89.86	179.53	12875.00	12875.00	0.00	12875.00	12970.00	95.00	0.00	0.00	0.22	0.00	0.22
12970.00	94.00	12910.00	90.35	179.92	12970.00	12970.00	0.00	12970.00	13064.00	94.00	0.00	0.00	0.52	0.00	0.52
13064.00	95.00	13004.00	90.77	180.32	13064.00	13064.00	0.00	13064.00	13159.00	95.00	0.00	0.00	0.45	0.00	0.45
13159.00	94.00	13099.00	91.40	180.24	13159.00	13159.00	0.00	13159.00	13253.00	94.00	0.00	0.00	0.66	0.00	0.66
13253.00	95.00	13193.00	91.67	180.13	13253.00	13253.00	0.00	13253.00	13348.00	95.00	0.00	0.00	0.29	0.00	0.29
13348.00	95.00	13288.00	92.10	179.85 165R	13348.00	13373.00	25.00	13373.00	13443.00	70.00	0.00	0.00	0.45	0.00	0.45
13443.00	94.00	13383.00	91.83	179.75	13443.00	13443.00	0.00	13443.00	13537.00	94.00	25.00	-0.01	-0.28	-0.01	-0.28
13537.00	95.00	13477.00	90.07	180.70	13537.00	13537.00	0.00	13537.00	13632.00	95.00	0.00	0.00	-1.87	0.00	-1.87
13632.00	94.00	13572.00	90.14	180.36 170L	13632.00	13647.00	15.00	13647.00	13726.00	79.00	0.00	0.00	0.07	0.00	0.07
13726.00	95.00	13666.00	88.01	180.69	13726.00	13726.00	0.00	13726.00	13821.00	95.00	15.00	-0.14	-2.27	-0.14	-2.27
13821.00	94.00	13761.00	87.98	180.33 HS	13821.00	13836.00	15.00	13836.00	13915.00	79.00	0.00	0.00	-0.03	0.00	-0.03
13915.00	95.00	13855.00	88.39	180.31	13915.00	13915.00	0.00	13915.00	14010.00	95.00	15.00	0.03	0.44	0.03	0.44
14010.00	95.00	13950.00	88.74	180.34	14010.00	14010.00	0.00	14010.00	14105.00	95.00	0.00	0.00	0.37	0.00	0.37
14105.00	94.00	14045.00	88.95	180.46	14105.00	14105.00	0.00	14105.00	14199.00	94.00	0.00	0.00	0.22	0.00	0.22
14199.00	95.00	14139.00	89.37	180.72 110L	14199.00	14219.00	20.00	14219.00	14294.00	75.00	0.00	0.00	0.45	0.00	0.45



Weatherford

(Distances are shown in feet.)

Slide Sheet Report

BHA 6 - 2012/12/17 TO 2012/12/24

Drilling Services
v4.2 2674

BIT DEPTH DRILLED	SURVEY DEPTH	INC	AZM	TF	ORIENTING -----		ROTATING -----		SLIDE SEEN	BUR /ft	BUR /100ft	COMMENTS
					FROM	TO	FEET	FROM	TO	FEET		
14294.00	56.00	14234.00	89.93	179.54	14294.00	14294.00	0.00	14294.00	14350.00	56.00	0.03	0.59
14350.00	0.00	14290.00	0.00	0.00	14350.00	14350.00	0.00	14350.00	14350.00	0.00	0.00	-160.59

Totals:	175.00 ft	2057.00 ft
Percentages:	7.8%	92.2%
Time:	7.08 hrs	27.00 hrs
Percentages:	20.8%	79.2%



Weatherford®

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 5

Weatherford Final Daily Activity Reports

**Weatherford**

Daily Activity Report

Day 1 - 2012/12/08

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 7852.0 ft PROGRESS: 0.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 0.0 ft AVG. ROP.: 0.0 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Standby (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-07:30	Travel To Job	7.50	0	n/a	07:30-24:00	Standby	16.50	0	n/a

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL: 0.00	ORIENTING HRS: 0.00	ROTARY DRILL: 0.00	ROTARY TORQUE:	STRING WEIGHT	0 lbs		
TIME DRILL: 0.00	ROTATING HRS: 0.00	MOTOR HRS: 0.00	WOB SLIDING (HI): 0 lbf	WOB ROTATE (HI):	0 lbf		
MOTOR REAM: 0.00		TRIP: 0.00	WOB SLIDING (LO): 0 lbf	WOB ROTATE (LO):	0 lbf		
CIRC: 0.00	ROTARY DRILL: 0.00	OTHER: 24.00	RPM (ROTARY):	DRAG UP:	0 lbf		
MOTOR HRS: 0.00	DRILL HRS: 0.00	TOTAL HRS: 24.00	RPM (MOTOR):	DRAG DN:	0 lbf		

BHA / MOTOR / BIT INFORMATION:

BHA:	HOLE SIZE:	SECTION TYPE:	SURVEY TYPE:	
MANFCT.:	STABILIZER:	SERIAL#:	MODEL:	LOBE CFG.:
SETTING:	KICKPAD:	SIZE:	MTR HRS THIS DAY:	MTR HRS TO DATE:
MANFCT:	BIT TYPE:	TYPE:	NOZZLES:	
IADC BIT GRADE:				

PUMP PARAMETERS

PRESSURE ON BTM: 0		PRESSURE OFF BTM: 0		TOTAL FLOW RATE: 0.00 gal/min	
PUMP 1: TYPE: PZ-11	EFF.: 95.0%	SPM: 0.00	LINER: 0.00 in	STROKE VOL.: 0.0000 gal/stk	
PUMP 2: TYPE: PZ-11	EFF.: 95.0%	SPM: 0.00	LINER: 0.00 in	STROKE VOL.: 0.0000 gal/stk	
PUMP 3: TYPE:	EFF.: 100.0%	SPM: 0.00	LINER: 0.00 in	STROKE VOL.: 0.0000 gal/stk	

MUD RECORD

MUD TYPE:	VISC: 0 sec/qt	WTR LOSS: 0 cc/30min	PV: 0 cP	YP: 0 lb/100 ft ²	pH: 0
DENSITY: 0 lb/gal	GEL 0/10: 0.00 lb/100 ft ²	SAND: 0	SOLIDS: 0	OIL: 0	TEMP: 0 °F
LIQUID BASE:		LIQUID RATE: 0 gal/min	GAS TYPE:	GAS RATE: 0 cu ft/min	

COMMENTS:

Orientated Whip Stock to 178 deg. @ 13:45 pm.

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 2 - 2012/12/09**Drilling Services**

v4.2.2674

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 0.0 ft **PROGRESS:** 8184.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 8184.0 ft **AVG. ROP.:** 738.6 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-02:00	Standby	2.00	0	n/a	16:45-17:20	Rotating With Motor - WOB/37k RPM/70	0.58	7946	1
02:00-03:30	PU Directional Tools - MU BHA #1	1.50	0	1	17:20-17:30	Circ & Accumulate Surveys - @ 7900'	0.17	7946	1
03:30-03:45	Shallow Test Tools	0.25	0	1	17:30-18:15	Orienting With Motor - 10' 30L	0.75	7956	1
03:45-08:00	RIH With Directional - tagged cmnt @ 7484'	4.25	7484	1	18:15-19:45	Rotating With Motor - 32 WOB 70 RPM	1.50	8026	1
08:00-12:30	Drill Out Fit, Shoe & Cmmt - Drill out cement	4.50	7840	1	19:45-19:50	Circ & Accumulate Surveys - @ 7,980'	0.08	8026	1
12:30-13:15	Orienting With Motor - Thru Whip Stock	0.75	7852	1	19:50-20:20	Orienting With Motor - 10' @ HS	0.50	8036	1
13:15-16:00	Orienting With Motor - 60' 179 MTF	2.75	7910	1	20:20-22:35	Rotating With Motor - 32 WOB 70 RPM	2.25	8121	1
16:00-16:40	Rotating With Motor - RPM/70 WOB/36k	0.67	7931	1	22:35-22:40	Circ & Accumulate Surveys - @ 8,075'	0.08	8121	1
16:40-16:45	Circ & Accumulate Surveys - @ 7885'	0.08	7931	1	22:40-24:00	Rotating With Motor - 32 WOB 70 RPM	1.33	8184	1

TIME SUMMARY (hrs):

MOTOR DRILL: 11.08	ORIENTING HRS: 4.75	ROTARY DRILL: 0.00	ROTARY TORQUE: 8400 ft-lb	STRING WEIGHT: 210000 lbs
TIME DRILL: 0.00	ROTATING HRS: 6.33	MOTOR HRS: 16.00	WOB SLIDING (HI): 35000 lbf	WOB ROTATE (HI): 37000 lbf
MOTOR REAM: 0.00		TRIP: 4.25	WOB SLIDING (LO): 15000 lbf	WOB ROTATE (LO): 25000 lbf
CIRC: 4.92	ROTARY DRILL: 0.00	OTHER: 3.75	RPM (ROTARY): 45 rpm	DRAG UP: 240000 lbf
MOTOR HRS: 16.00	DRILL HRS: 11.08	TOTAL HRS: 24.00	RPM (MOTOR): 112 rpm	DRAG DN: 200000 lbf

DRILLING PARAMETERS:**BHA / MOTOR / BIT INFORMATION:**

BHA: 1 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Vertical Departure **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** 8.50 **SERIAL#:** 675-3756 **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.5 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 16 **MTR HRS TO DATE:** 16
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGD-E30C **NOZZLES:** 12, 12, 12, n/a: 0.331 in² TFA
IADC BIT GRADE: 3 / 8 / BT / G / N / 2 / WT / PR

PUMP PARAMETERS

PRESSURE ON BTM: 2375 **PRESSURE OFF BTM:** 2280 **TOTAL FLOW RATE:** 514.27 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 29 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 1 cP **YP:** 1 lb/100 ft² **pH:** 12.5
DENSITY: 8.6 lb/gal **GEL 0/10:** 0.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 0.4 **OIL:** 0 **TEMP:** 0 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min

COMMENTS:

Whip Stock was set at 7840' (top)
7852' (bottom)
Tagged cement @ 7484'
8:00 - 12:30 Drilled cement 7484'-7840'
12:30 13:15 Drilled pass Whip Stock
Drilling ahead:
13:15 - 24:00 drilled from 7,852' - 8,184'



Daily Activity Report

Drilling Services
v4.2.2674

Day 2 - 2012/12/09

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Day 3 - 2012/12/10**Drilling Services**

v4.2.2674

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 8184.0 ft **PROGRESS:** 456.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 8640.0 ft **AVG. ROP.:** 33.0 ft/hr **PREVIOUS COST:** USD\$0.00
WORK STATUS: Operating (All units are imperial.) **TOTAL COST:** USD\$0.00

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-01:20	Rotating With Motor - 32 WOB 70 RPM	1.33	8215	1	12:35-12:40	Circ & Accumulate Surveys - @ 8548'	0.08	8594	1
01:20-01:25	Circ & Accumulate Surveys - @ 8,169'	0.08	8215	1	12:40-14:15	Rotating With Motor - 37 WOB 70 RPM	1.58	8640	1
01:25-03:55	Rotating With Motor - 32 WOB 70 RPM	2.50	8310	1	14:15-15:00	Circ Bottoms Up - Pmp Slug	0.75	8640	1
03:55-04:00	Circ & Accumulate Surveys - @ 8,264'	0.08	8310	1	15:00-19:45	POOH For Bit	4.75	8640	1
04:00-07:20	Rotating With Motor - 32 WOB 70 RPM	3.33	8404	1	19:45-20:15	Other - See Comments - Install Wear Bushing	0.50	8640	1
07:20-07:25	Circ & Accumulate Surveys - @ 8358'	0.08	8404	1	20:15-20:30	Change Bit	0.25	8640	2
07:25-10:25	Rotating With Motor - 37k WOB 70 RPM	3.00	8499	1	20:30-21:30	Other - See Comments - work bit past BOP	1.00	8640	2
10:25-10:30	Circ & Accumulate Surveys - @ 8453'	0.08	8499	1	21:30-24:00	RIH With Directional	2.50	8640	2
10:30-12:35	Rotating With Motor - 37k WOB 70 RPM	2.08	8594	1			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 13.83 **ORIENTING HRS:** 0.00
TIME DRILL: 0.00 **ROTATING HRS:** 13.83
MOTOR REAM: 0.00
CIRC: 1.17 **ROTARY DRILL:** 0.00
MOTOR HRS: 15.00 **DRILL HRS:** 13.83

ROTARY DRILL: 0.00
MOTOR HRS: 15.00
TRIP: 7.25
OTHER: 1.75
TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: 8600 ft-lb **STRING WEIGHT:** 215000 lbs
WOB SLIDING (HI): 25000 lbf **WOB ROTATE (HI):** 35000 lbf
WOB SLIDING (LO): 20000 lbf **WOB ROTATE (LO):** 30000 lbf
RPM (ROTARY): 70 rpm **DRAG UP:** 242000 lbf
RPM (MOTOR): 147 rpm **DRAG DN:** 200000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 1 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Vertical Departure **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** 8.50 **SERIAL#:** 675-3756 **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.5 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 15 **MTR HRS TO DATE:** 31
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGD-E30C **NOZZLES:** 12, 12, 12, n/a: 0.331 in² TFA
IADC BIT GRADE: 3 / 8 / BT / G / N / 2 / WT / PR

BHA: 2 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Vertical Departure **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** No **SERIAL#:** 675-3756 **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.5 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 0 **MTR HRS TO DATE:** 31
MANFCT: Hughes **BIT TYPE:** PDC Bit **TYPE:** Q506FX **NOZZLES:** 0.663 in² TFA
IADC BIT GRADE: 2 / 3 / CT / G / X / ? / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 2385 **PRESSURE OFF BTM:** 2285 **TOTAL FLOW RATE:** 514.27 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 29 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 1 cP **YP:** 1 lb/100 ft² **pH:** 12
DENSITY: 8.6 lb/gal **GEL 0/10:** 0.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 0.4 **OIL:** 0 **TEMP:** 65 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min

COMMENTS:

00:00 - 14:15 Drilling F/ 8,215' - 8,640'

We will TOO H to change the bit and pick up 10 HWDP



Weatherford™

Daily Activity Report

Day 3 - 2012/12/10

Drilling Services

v4.2.2674

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**Weatherford**

Daily Activity Report

Drilling Services

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Day 4 - 2012/12/11

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 8640.0 ft **PROGRESS:** 783.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 9423.0 ft **AVG. ROP.:** 39.1 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-03:00	RIH With Directional	3.00	8640	2	13:35-14:30	Rotating With Motor - WOB/16K RPM/50	0.92	8992	2
03:00-03:30	Rotating With Motor - 15 WOB 70 ROM	0.50	8650	2	14:30-14:35	Circ & Accumulate Surveys - @ 8946'	0.08	8992	2
03:30-04:00	Orienting With Motor - 12' @ 180G	0.50	8662	2	14:35-14:45	Rotating With Motor - WOB/16K RPM/50	0.17	9002	2
04:00-04:40	Rotating With Motor - 20 WOB 70 RPM	0.67	8676	2	14:45-16:15	Orienting With Motor - 35' 180 GTF	1.50	9037	2
04:40-05:15	Orienting With Motor - 10' @ 180G	0.58	8686	2	16:15-17:15	Rotating With Motor - WOB/16K RPM/50	1.00	9087	2
05:15-05:35	Rotating With Motor - WOB/16K RPM/50	0.33	8708	2	17:15-17:30	Rig Service	0.25	9087	2
05:35-05:40	Circ & Accumulate Surveys - @ 8662'	0.08	8708	2	17:30-17:35	Circ & Accumulate Surveys - @ 9041'	0.08	9087	2
05:40-06:35	Orienting With Motor - 15' @ 180	0.92	8708	2	17:35-19:30	Rotating With Motor - WOB/16K RPM/50	1.92	9181	2
06:35-08:00	Rotating With Motor - WOB/16K RPM/50	1.42	8802	2	19:30-19:35	Circ & Accumulate Surveys - @ 9,135	0.08	9181	2
08:00-08:05	Circ & Accumulate Surveys - @ 8756'	0.08	8802	2	19:35-21:40	Rotating With Motor - WOB/16K RPM/70	2.08	9276	2
08:05-10:00	Orienting With Motor - 25' 160L	1.92	8827	2	21:40-21:45	Circ & Accumulate Surveys - @ 9,230	0.08	9276	2
10:00-11:10	Rotating With Motor - WOB/16K RPM/50	1.17	8897	2	21:45-23:10	Rotating With Motor - WOB/16K RPM/70	1.42	9371	2
11:10-11:20	Circ & Accumulate Surveys - @ 8851'	0.17	8897	2	23:10-23:15	Circ & Accumulate Surveys - @ 9325	0.08	9371	2
11:20-11:35	Rotating With Motor - WOB/16K RPM/50	0.25	8903	2	23:15-24:00	Rotating With Motor - WOB/16K RPM/70	0.75	9423	2
11:35-13:35	Orienting With Motor - 45' 170 R	2.00	8948	2			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 20.00 **ORIENTING HRS:** 7.42
TIME DRILL: 0.00 **ROTATING HRS:** 12.58
MOTOR REAM: 0.00
CIRC: 0.75 **ROTARY DRILL:** 0.00
MOTOR HRS: 20.75 **DRILL HRS:** 20.00

ROTARY DRILL: 0.00
MOTOR HRS: 20.75
TRIP: 3.00
OTHER: 0.25
TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: 9500 ft-lb **STRING WEIGHT:** 215000 lbs
WOB SLIDING (HI): 20000 lbf **WOB ROTATE (HI):** 30000 lbf
WOB SLIDING (LO): 15000 lbf **WOB ROTATE (LO):** 20000 lbf
RPM (ROTARY): 70 rpm **DRAG UP:** 242000 lbf
RPM (MOTOR): 148 rpm **DRAG DN:** 200000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 2 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Vertical Departure **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** No **SERIAL#:** 675-3756 **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.5° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 20.75 **MTR HRS TO DATE:** 51.75
MANFCT: Hughes **BIT TYPE:** PDC Bit **TYPE:** Q506FX **NOZZLES:** 0.663 in² TFA
IADC BIT GRADE: 2 / 3 / CT / G / X / ? / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 1925 **PRESSURE OFF BTM:** 1550 **TOTAL FLOW RATE:** 514.27 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 29 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 3 cP **YP:** 1 lb/100 ft² **pH:** 12.5
DENSITY: 8.6 lb/gal **GEL 0/10:** 1.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 1.4 **OIL:** 0 **TEMP:** 69 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min

COMMENTS:

03:00 - 24:00 Drilling F/ 8,640' - 9,423'



Daily Activity Report

Drilling Services
v4.2.2674

Day 4 - 2012/12/11

CUSTOMER SIGNATURE: _____



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Daily Activity Report

Drilling Services

v4.2.2674

Day 5 - 2012/12/12

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 9423.0 ft **PROGRESS:** 380.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 9803.0 ft **AVG. ROP.:** 43.0 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-00:35	Rotating With Motor - WOB/16K RPM/70	0.58	9465	2	09:10-10:45	Circulating - pumped sweep	1.58	9803	2
00:35-00:40	Circ & Accumulate Surveys - @ 9419	0.08	9465	2	10:45-10:50	Circ & Accumulate Surveys - @9757' TD Vertical	0.08	9803	2
00:40-02:10	Rotating With Motor - WOB/16K RPM/70	1.50	9560	2	10:50-12:00	Wait On Orders - Wait for Gyros	1.17	9803	2
02:10-02:15	Circ & Accumulate Surveys - @ 9514	0.08	9560	2	12:00-15:30	W/L Surveys & Orienting - Start Gyro's	3.50	9803	2
02:15-04:25	Rotating With Motor - WOB/16K RPM/70	2.17	9654	2	15:30-16:00	Circ & Condition Mud - Spott Slugg	0.50	9803	2
04:25-04:30	Circ & Accumulate Surveys - @ 9608	0.08	9654	2	16:00-20:15	POOH To Change BHA - P/U Curve BHA	4.25	9803	2
04:30-05:00	Orienting With Motor - 5' @ 60L	0.50	9654	2	20:15-21:00	Handle Directional Tools - Change bit & motor	0.75	9803	2
05:00-08:00	Rotating With Motor - 22 WOB 70 RPM	3.00	9749	2	21:00-21:15	Shallow Test Tools - Good Test	0.25	9803	3
08:00-08:05	Circ & Accumulate Surveys - @ 9703'	0.08	9749	2	21:15-24:00	RIH With New BHA	2.75	9803	3
08:05-09:10	Rotating With Motor	1.08	9803	2			0.00		

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL:	8.83	ORIENTING HRS:	0.50	ROTARY DRILL:	0.00	ROTARY TORQUE:	13000 ft-lb
TIME DRILL:	0.00	ROTATING HRS:	8.33	MOTOR HRS:	11.33	WOB SLIDING (HI):	15000 lbf
MOTOR REAM:	0.00			TRIP:	7.00	WOB SLIDING (LO):	10000 lbf
CIRC:	2.50	ROTARY DRILL:	0.00	OTHER:	5.67	RPM (ROTARY):	70 rpm
MOTOR HRS:	11.33	DRILL HRS:	8.83	TOTAL HRS:	24.00	RPM (MOTOR):	148 rpm
						STRING WEIGHT:	235000 lbs
						WOB ROTATE (HI):	30000 lbf
						WOB ROTATE (LO):	20000 lbf
						DRAG UP:	265000 lbf
						DRAG DN:	215000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 2 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Vertical Departure **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** No **SERIAL#:** 675-3756 **MODEL:** LOBE CFG.:7/8
SETTING: 1.5 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 11.333333333333333 **MTR HRS TO DATE:** 63.08333333333333
MANFCT: Hughes **BIT TYPE:** PDC Bit **TYPE:** Q506FX **NOZZLES:** 0.663 in² TFA
IADC BIT GRADE: 2 / 3 / CT / G / X / ? / ? / TD

BHA: 3 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Curve **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** 8.5 **SERIAL#:** 675-3625 **MODEL:** LOBE CFG.:7/8
SETTING: 1.83 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 0 **MTR HRS TO DATE:** 0
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGD-E30C **NOZZLES:** 1.83 in² TFA
IADC BIT GRADE: 2 / 2 / BT / G / E / I / ? / DMF

PUMP PARAMETERS

PRESSURE ON BTM: 2000 **PRESSURE OFF BTM:** 1675 **TOTAL FLOW RATE:** 514.27 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 60.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 28 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 1 cP **YP:** 4 lb/100 ft² **pH:** 12
DENSITY: 8.9 lb/gal **GEL 0/10:** 2.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 1.8 **OIL:** 0 **TEMP:** 67 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min

COMMENTS:

00:00 - 09:00 Drilling F/ 9,423' - 9803'



Daily Activity Report

Drilling Services
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Day 5 - 2012/12/12

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Drilling Services

v4.2.2674

Day 6 - 2012/12/13

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 9803.0 ft **PROGRESS:** 205.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 10008.0 ft **AVG. ROP.:** 19.1 ft/hr **PREVIOUS COST:** USD\$0.00
WORK STATUS: Operating (All units are imperial.) **TOTAL COST:** USD\$0.00

TIME	DAILY ACTIVITY	HRS	DPH	BHA	TIME	DAILY ACTIVITY	HRS	DPH	BHA
00:00-02:00	Slip And Cut	2.00	9803	3	11:45-13:00	Orienting With Motor - 31' HS	1.25	9967	3
02:00-04:30	RIH With New BHA	2.50	9803	3	13:00-13:05	Circ & Accumulate Surveys - @ 9921'	0.08	9967	3
04:30-04:45	Rotating With Motor - 10 WOB 40 RPM	0.25	9810	3	13:05-14:30	Orienting With Motor - 32' HS	1.42	9999	3
04:45-06:40	Orienting With Motor - 31' HS	1.92	9841	3	14:30-15:00	Rig Service	0.50	9999	3
06:40-06:45	Circ & Accumulate Surveys - @ 9795'	0.08	9841	3	15:00-15:05	Circ & Accumulate Surveys - @ 9953'	0.08	9999	3
06:45-08:15	Orienting With Motor - 32' HS	1.50	9873	3	15:05-16:05	Orienting With Motor - 8' HS	1.00	10008	3
08:15-08:25	Circ & Accumulate Surveys - @ 9827'	0.17	9873	3	16:05-16:35	Orienting With Motor - TRIED TO ORIENTATE	0.50	10008	3
08:25-10:00	Orienting With Motor - 31' HS	1.58	9904	3	16:35-16:45	Circ Sample - PUMP SLUG	0.17	10008	3
10:00-10:15	Flow Test - SPR	0.25	9904	3	16:45-21:15	POOH To Change BHA - MOTOR FAIRULE	4.50	10008	3
10:15-10:20	Circ & Accumulate Surveys - @ 9858'	0.08	9904	3	21:15-23:15	Change Bit And Motor - Dial, Change NBStab.	2.00	10008	4
10:20-11:40	Orienting With Motor - 32' HS	1.33	9936	3	23:15-23:30	Shallow Test Tools	0.25	10008	4
11:40-11:45	Circ & Accumulate Surveys - @ 9890'	0.08	9936	3	23:30-24:00	RIH With New BHA	0.50	10008	4

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL:	10.75	ORIENTING HRS:	10.50	ROTARY DRILL:	0.00	ROTARY TORQUE:	13500 ft-lb
TIME DRILL:	0.00	ROTATING HRS:	0.25	MOTOR HRS:	11.50	WOB SLIDING (HI):	25000 lbf
MOTOR REAM:	0.00			TRIP:	7.50	WOB SLIDING (LO):	15000 lbf
CIRC:	0.75	ROTARY DRILL:	0.00	OTHER:	5.00	RPM (ROTARY):	40 rpm
MOTOR HRS:	11.50	DRILL HRS:	10.75	TOTAL HRS:	24.00	RPM (MOTOR):	148 rpm
						STRING WEIGHT:	250000 lbs
						WOB ROTATE (HI):	0 lbf
						WOB ROTATE (LO):	0 lbf
						DRAG UP:	265000 lbf
						DRAG DN:	235000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 3 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Curve **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Weatherford **STABILIZER:** 8.5 **SERIAL#:** 675-3625 **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.83 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 11.5 **MTR HRS TO DATE:** 11.5
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGD-E30C **NOZZLES:** 1.83 in² TFA
IADC BIT GRADE: 2 / 2 / BT / G / E / 1 / ? / DMF

BHA: 4 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Curve **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Mpac **STABILIZER:** 8.5 **SERIAL#:** MSD67D18075R **MODEL:** **LOBE CFG.:** 7/8
SETTING: 2.12 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 0 **MTR HRS TO DATE:** 0
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGDE30C **NOZZLES:** 12, 12, 12, n/a: 0.331 in² TFA
IADC BIT GRADE: 2 / 3 / BT / G / E / 1 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 3000 **PRESSURE OFF BTM:** 2750 **TOTAL FLOW RATE:** 525.00 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 61.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 61.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 28 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 1 cP **YP:** 3 lb/100 ft² **pH:** 10
DENSITY: 8.8 lb/gal **GEL 10/10:** 1.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 2 **OIL:** 0 **TEMP:** 74 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min



Weatherford™

Daily Activity Report

Day 6 - 2012/12/13

Drilling Services

v4.2.2674

COMMENTS:

Drilling F/ 9,803' - 10,008'

We had pretty good BR we were staying on plan. The build rates fell off @ SURVEY DEPTH 9953' on this survey we saw about 20' of good slide and 10' of ratty slide. The differential was up and down pretty bad and could not seem to get enough reactive torque to hold a good toolface. Our differential would spike at 325 and drop off to under 100 and a few times it would go negative. We started our next slide at 9999' and we were able to drill to 10,008'. At this time the motor would not give us any reactive torque and we were not able to maintain much differential pressure. I worked out the if any torque from the pipe a proceeded to get on bottom feathering WOB up to 40k with no difference in differential and zero reactive torque from the motor. Talked to the company man Jeff as well as the Engineer Mr. Kurtis and decided to POOH replace the motor and dial up the motor to a 2.12 deg.

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 7 - 2012/12/14

Drilling Services

v4.2.2674

FILE #: 4028184

JOB TYPE:

RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry

COMPANY: Devon Energy Corp

SURFACE LOCATION:

SERVICE CO.: Precision Energy Services

SURVEY TYPE: Positive Pulse MWD

FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce

DIR Supervisor: Rene Rosas, Tyrell Shoaf

MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft

START DEPTH: 10008.0 ft

PROGRESS: 441.0 ft

DAILY COST: USD\$0.00

KB ELEV: 3513 ft

END DEPTH: 10449.0 ft

AVG. ROP.: 29.9 ft/hr

PREVIOUS COST: USD\$0.00

TOTAL COST: USD\$0.00

WORK STATUS: Operating

(All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-04:30	RIH With New BHA	4.50	10008	4	14:50-15:35	Back Reaming - 32' HS	0.75	10260	4
04:30-05:45	Work On EM MWD	1.25	10018	4	15:35-15:40	Circ & Accumulate Surveys - @ 10,206'	0.08	10260	4
05:45-07:00	Orienting With Motor - 31' HS	1.25	10039	4	15:40-16:50	Orienting With Motor - 31' HS	1.17	10291	4
07:00-07:05	Circ & Accumulate Surveys - @ 9985'	0.08	10039	4	16:50-17:00	Circ & Accumulate Surveys - @ 10,237'	0.17	10291	4
07:05-08:25	Orienting With Motor - 31 HS	1.33	10070	4	17:00-17:20	Orienting With Motor - 6' HS	0.33	10297	4
08:25-08:30	Circ & Accumulate Surveys - @ 10,016'	0.08	10070	4	17:20-18:00	Rig Repair - LEAKING STANDPIPE	0.67	10297	4
08:30-10:10	Orienting With Motor - 32' HS	1.67	10102	4	18:00-18:45	Orienting With Motor - 26' HS	0.75	10323	4
10:10-10:15	Circ & Accumulate Surveys - @ 10,048'	0.08	10102	4	18:45-18:55	Circ & Accumulate Surveys - @ 10,269'	0.17	10323	4
10:15-11:00	Rig Service	0.75	10102	4	18:55-20:10	Orienting With Motor - 31' @ HS	1.25	10354	4
11:00-12:05	Orienting With Motor - 31' 30R	1.08	10133	4	20:10-20:15	Circ & Accumulate Surveys - @ 10,300'	0.08	10354	4
12:05-12:10	Circ & Accumulate Surveys - @ 10,079'	0.08	10133	4	20:15-21:15	Orienting With Motor - 32' @ HS	1.00	10386	4
12:10-12:55	Orienting With Motor - 32' 20R	0.75	10165	4	21:15-21:20	Circ & Accumulate Surveys - @ 10,332'	0.08	10386	4
12:55-13:00	Circ & Accumulate Surveys - @ 10,111'	0.08	10165	4	21:20-22:35	Orienting With Motor - 31' @ HS	1.25	10417	4
13:00-13:40	Rotating With Motor - 31' HS	0.67	10196	4	22:35-22:40	Circ & Accumulate Surveys - @ 10,363	0.08	10417	4
13:40-13:45	Circ & Accumulate Surveys - @ 10,142'	0.08	10196	4	22:40-23:55	Orienting With Motor - 32' @ HS	1.25	10449	4
13:45-14:45	Orienting With Motor - 32' HS	1.00	10228	4	23:55-24:00	Circ & Accumulate Surveys - @ 10,395'	0.08	10449	4
14:45-14:50	Circ & Accumulate Surveys - @ 10,174'	0.08	10228	4			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 14.75
 TIME DRILL: 0.00
 MOTOR REAM: 0.00
 CIRC: 2.08
 MOTOR HRS: 16.83

ORIENTING HRS: 14.08
 ROTATING HRS: 0.67
 ROTARY DRILL: 0.00
 ROTARY DRILL: 0.00
 DRILL HRS: 14.75

ROTARY DRILL: 0.00
 MOTOR HRS: 16.83
 TRIP: 4.50
 OTHER: 2.67
 TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE:
 WOB SLIDING (HI): 50000 lbf
 WOB SLIDING (LO): 20000 lbf
 RPM (ROTARY): 40 rpm
 RPM (MOTOR): 71.5 rpm

STRING WEIGHT 265000 lbs
 WOB ROTATE (HI): 0 lbf
 WOB ROTATE (LO): 0 lbf
 DRAG UP: 271000 lbf
 DRAG DN: 245000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 4

HOLE SIZE: 8.75 in

SECTION TYPE: Curve

SURVEY TYPE: Positive Pulse MWD

MANFCT.: Mpac

STABILIZER: 8.5

SERIAL#: MSD67D18075R

MODEL: LOBE CFG.: 7/8

SETTING: 2.12 °

KICKPAD: No

SIZE: 6 3/4" (171mm)

MTR HRS THIS DAY: 16.833333333333333 HRS TO DATE: 16.833333333333333

MANFCT: Hughes

BIT TYPE: Tri-Cone Bit

TYPE: VGDE30C

NOZZLES: 12, 12, 12, n/a: 0.331 in² TFA

IADC BIT GRADE: 2 / 3 / BT / G / E / 1 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 2950

PRESSURE OFF BTM: 2650

TOTAL FLOW RATE: 522.84 gal/min

PUMP 1: TYPE: PZ-11

EFF.: 95.0%

SPM: 61.00

LINER: 6.50 in

STROKE VOL.: 4.5112 gal/stk

PUMP 2: TYPE: PZ-11

EFF.: 95.0%

SPM: 61.00

LINER: 6.50 in

STROKE VOL.: 4.5112 gal/stk

PUMP 3: TYPE:

EFF.: 100.0%

SPM: 0.00

LINER: 0.00 in

STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water

VISC: 28 sec/qt

WTR LOSS: 0 cc/30min

PV: 1 cP

YP: 3 lb/100 ft²

pH: 10

DENSITY: 8.8 lb/gal

GEL 0/10: 1.00 lb/100 ft²

SAND: 0

SOLIDS: 2

OIL: 0

TEMP: 74 °F

LIQUID BASE: Water

LIQUID RATE: 0 gal/min

GAS TYPE:

GAS RATE: 0 cu ft/min



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Daily Activity Report

Day 7 - 2012/12/14

Drilling Services
v4.2.2674

COMMENTS:

Drilling F/ 10,008' - 10,449'

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Drilling Services

v4.2.2674

Day 8 - 2012/12/15

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 10449.0 ft **PROGRESS:** 157.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 10606.0 ft **AVG. ROP.:** 26.2 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-01:20	Orienting With Motor - 31' @ HS	1.33	10480	4	06:25-06:30	Circ & Accumulate Surveys - @ 10,552'	0.08	10606	4
01:20-01:30	Circ & Accumulate Surveys - @ 10,426'	0.17	10480	4	06:30-07:30	Circ & Condition Mud	1.00	10606	4
01:30-02:40	Orienting With Motor - 32' HS	1.17	10512	4	07:30-14:00	POOH To Change BHA - P/U IATERAL BHA	6.50	10606	4
02:40-02:45	Circ & Accumulate Surveys - @ 10,458	0.08	10512	4	14:00-15:00	Lay Down Directional Tools - Flex/MM/bit	1.00	10606	4
02:45-03:55	Orienting With Motor - 31' HS	1.17	10543	4	15:00-16:00	Rig Service	1.00	10606	4
03:55-04:00	Circ & Accumulate Surveys - @ 10,489	0.08	10543	4	16:00-17:00	Handle Directional Tools - P/U & M/U Tools	1.00	10606	5
04:00-04:55	Orienting With Motor - 32 HS	0.92	10575	4	17:00-17:15	Shallow Test Tools - Good	0.25	10606	5
04:55-05:00	Circ & Accumulate Surveys - @ 10,521	0.08	10575	4	17:15-17:30	Change Bit - Make up Bit	0.25	10606	5
05:00-06:25	Orienting With Motor - 31' HS	1.42	10606	4	17:30-24:00	RIH With New BHA - Lateral Bha	6.50	10606	5

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL:	6.00	ORIENTING HRS:	6.00	ROTARY DRILL:	0.00	ROTARY TORQUE:	275000 lbs
TIME DRILL:	0.00	ROTATING HRS:	0.00	MOTOR HRS:	7.50	WOB SLIDING (HI):	50000 lbf
MOTOR REAM:	0.00			TRIP:	13.00	WOB SLIDING (LO):	45000 lbf
CIRC:	1.50	ROTARY DRILL:	0.00	OTHER:	3.50	RPM (ROTARY):	134 rpm
MOTOR HRS:	7.50	DRILL HRS:	6.00	TOTAL HRS:	24.00	WOB ROTATE (HI):	0 lbf
						WOB ROTATE (LO):	0 lbf
						DRAG UP:	285000 lbf
						DRAG DN:	240000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 4 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Curve **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Mpack **STABILIZER:** 8.5 **SERIAL#:** MSD67D18075R **MODEL:** **LOBE CFG.:** 7/8
SETTING: 2.12 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 7.5 **MTR HRS TO DATE:** 24.333333333333
MANFCT: Hughes **BIT TYPE:** Tri-Cone Bit **TYPE:** VGDE30C **NOZZLES:** 12, 12, 12, n/a: 0.331 in² TFA
IADC BIT GRADE: 2 / 3 / BT / G / E / 1 / ? / TD

BHA: 5 **HOLE SIZE:** 8.75 in **SECTION TYPE:** Lateral 1 **SURVEY TYPE:** Positive Pulse MWD
MANFCT.: Mpack **STABILIZER:** 8.25 **SERIAL#:** MSD1723SR **MODEL:** **LOBE CFG.:** 7/8
SETTING: 1.5 ° **KICKPAD:** No **SIZE:** 6 3/4" (171mm) **MTR HRS THIS DAY:** 0 **MTR HRS TO DATE:** 0
MANFCT: Halliburton **BIT TYPE:** PDC Bit **TYPE:** MM66D **NOZZLES:** 0.557 in² TFA
IADC BIT GRADE: 2 / 3 / CT / G / X / 1 / ? / BHA

PUMP PARAMETERS

PRESSURE ON BTM: 2700 **PRESSURE OFF BTM:** 2600 **TOTAL FLOW RATE:** 445.70 gal/min
PUMP 1: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 104.00 **LINER:** 6.50 in **STROKE VOL.:** 4.5112 gal/stk
PUMP 2: TYPE: PZ-11 **EFF.:** 95.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk
PUMP 3: TYPE: **EFF.:** 100.0% **SPM:** 0.00 **LINER:** 0.00 in **STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water **VISC:** 28 sec/qt **WTR LOSS:** 0 cc/30min **PV:** 1 cP **YP:** 3 lb/100 ft² **pH:** 10
DENSITY: 8.8 lb/gal **GEL 0/10:** 1.00 lb/100 ft² **SAND:** 0 **SOLIDS:** 2 **OIL:** 0 **TEMP:** 74 °F
LIQUID BASE: Water **LIQUID RATE:** 0 gal/min **GAS TYPE:** **GAS RATE:** 0 cu ft/min

COMMENTS:

Drilling F/ 10,449' - 10,606' TD

Will soft land the curve with the lateral assembly. We are 86.31 at the bit.



Daily Activity Report

Drilling Services
v4.2.2674

Day 8 - 2012/12/15

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Drilling Services

v4.2.2674

Day 9 - 2012/12/16

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft **START DEPTH:** 10606.0 ft **PROGRESS:** 1067.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 11673.0 ft **AVG. ROP.:** 49.2 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-01:15	Orienting With Motor - 29' HS	1.25	10635	5	11:00-11:50	Rotating With Motor - WOB/30k RPM/70	0.83	11077	5
01:15-01:30	Circ & Accumulate Surveys - 10,575'	0.25	10635	5	11:50-11:55	Circ & Accumulate Surveys - @ 11,017'	0.08	11077	5
01:30-02:40	Orienting With Motor - 32' HS	1.17	10667	5	11:55-12:50	Rotating With Motor - WOB/32k RPM/70	0.92	11172	5
02:40-02:45	Circ & Accumulate Surveys - 10,607'	0.08	10667	5	12:50-12:55	Circ & Accumulate Surveys - @ 11,112'	0.08	11172	5
02:45-03:40	Orienting With Motor - 31' HS	0.92	10698	5	12:55-14:15	Orienting With Motor - 25' 150L	1.33	11197	5
03:40-03:45	Circ & Accumulate Surveys - 10,638'	0.08	10698	5	14:15-15:15	Rotating With Motor - WOB/32k RPM/70	1.00	11267	5
03:45-04:30	Rig Repair - Top Drive	0.75	10698	5	15:15-15:25	Rig Service	0.17	11267	5
04:30-05:20	Orienting With Motor - 25' 110R	0.83	10723	5	15:25-15:30	Circ & Accumulate Surveys - @ 11,207'	0.08	11267	5
05:20-05:35	Rotating With Motor - 15 WOB 70 RPM	0.25	10730	5	15:30-16:35	Rotating With Motor - WOB/32k RPM/70	1.08	11361	5
05:35-05:40	Circ & Accumulate Surveys - 10,670	0.08	10730	5	16:35-16:40	Circ & Accumulate Surveys - @ 11,301'	0.08	11361	5
05:40-06:30	Rotating With Motor - 15 WOB 70 RPM	0.83	10762	5	16:40-18:20	Orienting With Motor - 25' 120L	1.67	11386	5
06:30-06:35	Circ & Accumulate Surveys - @ 10,702'	0.08	10762	5	18:20-19:00	Rotating With Motor - WOB/32k RPM/70	0.67	11456	5
06:35-07:20	Rotating With Motor - 15 WOB 70 RPM	0.75	10793	5	19:00-19:05	Circ & Accumulate Surveys - 11,396'	0.08	11456	5
07:20-07:25	Circ & Accumulate Surveys - @ 10,733'	0.08	10793	5	19:05-20:00	Orienting With Motor - 25' 100L	0.92	11481	5
07:25-08:10	Orienting With Motor - 20' 120R	0.75	10813	5	20:00-21:10	Rotating With Motor - WOB/32k RPM/70	1.17	11550	5
08:10-09:00	Rotating With Motor - 22k WOB 70 RPM	0.83	10888	5	21:10-21:15	Circ & Accumulate Surveys - 11,490'	0.08	11550	5
09:00-09:05	Circ & Accumulate Surveys - @ 10,828'	0.08	10888	5	21:15-22:25	Orienting With Motor - 35' 90L	1.17	11585	5
09:05-10:25	Rotating With Motor - WOB/32k RPM/70	1.33	10983	5	22:25-23:30	Rotating With Motor - 25 WOB 55 RPM	1.08	11645	5
10:25-10:30	Circ & Accumulate Surveys - @ 10,923'	0.08	10983	5	23:30-23:35	Circ & Accumulate Surveys - 11,585'	0.08	11645	5
10:30-11:00	Orienting With Motor - 20' 150R	0.50	11003	5	23:35-24:00	Rotating With Motor - 25 WOB 55 RPM	0.42	11673	5

TIME SUMMARY (hrs):

MOTOR DRILL: 21.67 **ORIENTING HRS:** 10.50
TIME DRILL: 0.00 **ROTATING HRS:** 11.17
MOTOR REAM: 0.00
CIRC: 1.42 **ROTARY DRILL:** 0.00
MOTOR HRS: 23.08 **DRILL HRS:** 21.67

ROTARY DRILL: 0.00
MOTOR HRS: 23.08
TRIP: 0.00
OTHER: 0.92
TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: 19000 ft-lb **STRING WEIGHT** 270000 lbs
WOB SLIDING (HI): 35000 lbf **WOB ROTATE (HI):** 32000 lbf
WOB SLIDING (LO): 25000 lbf **WOB ROTATE (LO):** 25000 lbf
RPM (ROTARY): 70 rpm **DRAG UP:** 278000 lbf
RPM (MOTOR): 153 rpm **DRAG DN:** 245000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 5 **HOLE SIZE:** 8.75 in
MANFCT.: Mpac **STABILIZER:** 8.25
SETTING: 1.5 ° **KICKPAD:** No
MANFCT: Halliburton **BIT TYPE:** PDC Bit
IADC BIT GRADE: 2 / 3 / CT / G / X / I / ? / BHA

SECTION TYPE: Lateral 1
SERIAL#: MSD1723SR
SIZE: 6 3/4" (171mm)
TYPE: MM66D

SURVEY TYPE: Positive Pulse MWD
MODEL: LOBE CFG.:7/8
MTR HRS THIS DAY: 23.08333333 **MTR HRS TO DATE:** 23.0833333333
NOZZLES: 0.557 in² TFA

**Weatherford**

Daily Activity Report

Drilling Services

v4.2.2674

Day 9 - 2012/12/16

PUMP PARAMETERS

PRESSURE ON BTM: 2100**PRESSURE OFF BTM:** 1900**TOTAL FLOW RATE:** 514.27 gal/min**PUMP 1: TYPE:** PZ-11**EFF.:** 95.0%**SPM:** 60.00**LINER:** 6.50 in**STROKE VOL.:** 4.5112 gal/stk**PUMP 2: TYPE:** PZ-11**EFF.:** 95.0%**SPM:** 60.00**LINER:** 6.50 in**STROKE VOL.:** 4.5112 gal/stk**PUMP 3: TYPE:****EFF.:** 100.0%**SPM:** 0.00**LINER:** 0.00 in**STROKE VOL.:** 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water**VISC:** 29 sec/qt**WTR LOSS:** 0 cc/30min**PV:** 1 cP**YP:** 3 lb/100 ft²**pH:** 10**DENSITY:** 8.9 lb/gal**GEL 0/10:** 0.00 lb/100 ft²**SAND:** 0**SOLIDS:** 1.8**OIL:** 0**TEMP:** 63 °F**LIQUID BASE:** Water**LIQUID RATE:** 0 gal/min**GAS TYPE:****GAS RATE:** 0 cu ft/min

COMMENTS:

Drilling F/ 10,606' - 11,673'

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 10 - 2012/12/17

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Jack Pierce
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 11673.0 ft PROGRESS: 445.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 12118.0 ft AVG. ROP.: 51.3 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-01:05	Rotating With Motor - 25 WOB 55 RPM	1.08	11739	5	08:00-09:10	Orienting With Motor - 15' 180 GTF	1.17	12038	5
01:05-01:10	Circ & Accumulate Surveys - 11679	0.08	11739	5	09:10-10:10	Rotating With Motor - WOB/30k RPM/55	1.00	12118	5
01:10-02:00	Orienting With Motor - 25' 100L	0.83	11764	5	10:10-10:15	Circ & Accumulate Surveys - @ 12,058'	0.08	12118	5
02:00-03:10	Rotating With Motor - 25 WOB 55 RPM	1.17	11834	5	10:15-11:00	Circulating - See Comments - POOH CHNG BHA	0.75	12118	5
03:10-03:30	Circ & Accumulate Surveys - 11774	0.33	11834	5	11:00-18:00	POOH To Change BHA	7.00	12118	5
03:30-05:00	Rotating With Motor - 25 WOB 55 RPM	1.50	11928	5	18:00-18:00	POOH To Change BHA - Drop NB Stablzr	0.00	12118	5
05:00-05:05	Circ & Accumulate Surveys - 11868	0.08	11928	5	18:00-19:15	Change Bit And Motor	1.25	12118	6
05:05-06:00	Gamma Rerun	0.92	11928	5	19:15-19:30	Shallow Test Tools	0.25	12118	6
06:00-07:55	Rotating With Motor - WOB/30k RPM/55	1.92	12023	5	19:30-22:30	RIH With New BHA	3.00	12118	6
07:55-08:00	Circ & Accumulate Surveys - @ 11,963'	0.08	12023	5	22:30-24:00	Slip And Cut	1.50	12118	6

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL:	8.67	ORIENTING HRS:	2.00	ROTARY DRILL:	0.00	ROTARY TORQUE:	15500 ft-lb
TIME DRILL:	0.00	ROTATING HRS:	6.67	MOTOR HRS:	10.08	WOB SLIDING (HI):	35000 lbf
MOTOR REAM:	0.00			TRIP:	10.00	WOB SLIDING (LO):	30000 lbf
CIRC:	1.42	ROTARY DRILL:	0.00	OTHER:	3.92	RPM (ROTARY):	55 rpm
MOTOR HRS:	10.08	DRILL HRS:	8.67	TOTAL HRS:	24.00	RPM (MOTOR):	115 rpm
						STRING WEIGHT:	265000 lbs
						WOB ROTATE (HI):	35000 lbf
						WOB ROTATE (LO):	25000 lbf
						DRAG UP:	280000 lbf
						DRAG DN:	240000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 5 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 1 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpack STABILIZER: 8.25 SERIAL#: MSD1723SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 10.08333333 MTR HRS TO DATE: 33.166666666666
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 2 / 3 / CT / G / X / 1 / ? / BHA

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpack STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 0 MTR HRS TO DATE: 0
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 2650 PRESSURE OFF BTM: 2100 TOTAL FLOW RATE: 514.27 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 60.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 60.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water VISC: 29 sec/qt WTR LOSS: 0 cc/30min PV: 1 cP YP: 3 lb/100 ft² pH: 11
 DENSITY: 8.9 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 0 SOLIDS: 1.3 OIL: 0 TEMP: 70 °F
 LIQUID BASE: Water LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

COMMENTS:

Drilling F/ 11,673' - 12,118'



Weatherford

Daily Activity Report

Day 10 - 2012/12/17

Drilling Services

v4.2.2674

We recieved a new plan to drop TVD and our current BHA is a build assembly. We will be POOH to either change out the stabilizer (7 7/8) and pick a 8 1/2 top of motor and a NB of 8 3/8. If we cant get a hold of a stabilizer we will go in with the same stabilizer of 7 7/8 and will go slick on the motor. Currently we have Weatherford and Devon trying to locate a stabilizer.

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Day 11 - 2012/12/18**Drilling Services**

v4.2.2674

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416**WELL NAME:** Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:**SERVICE CO.:** Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA**Company Man:** Jeff Foster, Keith Martinson
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass, Maximo Martinez**GROUND ELEV:** 3488 ft **START DEPTH:** 12118.0 ft **PROGRESS:** 111904.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 13443.0 ft **AVG. ROP.:** 5993.8 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00**WORK STATUS:** Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-03:30	RIH With New BHA	3.50	12118	6	13:50-14:35	Rotating With Motor - WOB26k RPM/65	0.75	12781	6
03:30-05:10	Rotating With Motor - 25 WOB 60 RPM	1.67	12212	6	14:35-14:40	Circ & Accumulate Surveys - @ 12,721'	0.08	12781	6
05:10-05:15	Circ & Accumulate Surveys - 12,152'	0.08	12212	6	14:40-15:35	Rotating With Motor - WOB26k RPM/65	0.92	12875	6
05:15-05:45	Rotating With Motor	0.50	12244	6	15:35-15:40	Circ & Accumulate Surveys - @ 12,815'	0.08	12875	6
05:45-06:30	Orienting With Motor - 20' 160R	0.75	12264	6	15:40-16:25	Rotating With Motor - WOB26k RPM/65	0.75	12970	6
06:30-07:10	Rotating With Motor	0.67	12307	6	16:25-16:30	Circ & Accumulate Surveys - @ 12,910'	0.08	12970	6
07:10-07:15	Circ & Accumulate Surveys - 12,247'	0.08	12307	6	16:30-17:20	Rotating With Motor - WOB26k RPM/65	0.83	13064	6
07:15-07:45	Rotating With Motor - WOB/28k RPM/60	0.50	12402	6	17:20-17:25	Circ & Accumulate Surveys - @ 12,910'	0.08	13064	6
07:45-08:05	Gamma Rerun	0.33	12402	6	17:25-18:15	Rotating With Motor - WOB/30k RPM/65	0.83	13159	6
08:05-08:10	Circ & Accumulate Surveys - @ 12342'	0.08	12402	6	18:15-18:20	Circ & Accumulate Surveys - @ 13,099'	0.08	13159	6
08:10-08:50	Orienting With Motor - 20' 110R	0.67	124022	6	18:20-19:35	Rotating With Motor - 25 WOB 65 RPM	1.25	13253	6
08:50-09:20	Rotating With Motor - WOB26k RPM/65	0.50	12497	6	19:35-19:40	Circ & Accumulate Surveys - 13193	0.08	13253	6
09:20-09:25	Circ & Accumulate Surveys - @ 12,437'	0.08	12497	6	19:40-21:10	Rotating With Motor - 25 WOB 65 RPM	1.50	13348	6
09:25-10:20	Rotating With Motor - WOB/26k RPM/65	0.92	12591	6	21:10-21:15	Circ & Accumulate Surveys - 13288	0.08	13348	6
10:20-10:40	Rig Service	0.33	12591	6	21:15-21:50	Orienting With Motor - 5' 165R	0.58	13353	6
10:40-10:45	Circ & Accumulate Surveys - @ 12,531'	0.08	12591	6	21:50-22:50	Rotating With Motor - 25 WOB 65 RPM	1.00	13411	6
10:45-12:05	Orienting With Motor - 35' 50R	1.33	12626	6	22:50-23:40	Orienting With Motor - 20' 165	0.83	13431	6
12:05-12:40	Rotating With Motor - WOB26k RPM/65	0.58	12686	6	23:40-23:55	Rotating With Motor - 25 WOB 65 RPM	0.25	13443	6
12:40-12:45	Circ & Accumulate Surveys - @ 12,626'	0.08	12686	6	23:55-24:00	Circ & Accumulate Surveys - 13383	0.08	13443	6
12:45-13:50	Orienting With Motor - 25'	1.08	12711	6			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 18.67	ORIENTING HRS: 5.25
TIME DRILL: 0.00	ROTATING HRS: 13.42
MOTOR REAM: 0.00	
CIRC: 1.17	ROTARY DRILL: 0.00
MOTOR HRS: 19.83	DRILL HRS: 18.67

ROTARY DRILL: 0.00
MOTOR HRS: 19.83
TRIP: 3.50
OTHER: 0.67
TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: 21200 ft-lb	STRING WEIGHT 26000 lbs
WOB SLIDING (HI): 50000 lbf	WOB ROTATE (HI): 30000 lbf
WOB SLIDING (LO): 20000 lbf	WOB ROTATE (LO): 15000 lbf
RPM (ROTARY): 65 rpm	DRAG UP: 308000 lbf
RPM (MOTOR): 151 rpm	DRAG DN: 215000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6	HOLE SIZE: 8.75 in
MANFCT.: Mpac	STABILIZER: No
SETTING: 1.5 °	KICKPAD: No
MANFCT: Halliburton	BIT TYPE: PDC Bit
IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD	

SECTION TYPE: Lateral 2
SERIAL#: MSD67D1779SR
SIZE: 6 3/4" (171mm)
TYPE: MM66D

SURVEY TYPE: Positive Pulse MWD	LOBE CFG.: 7/8
MODEL:	MTR HRS THIS DAY: 19.833333333333
NOZZLES: 0.557 in ² TFA	MTR HRS TO DATE: 19.833333333333



Weatherford

Daily Activity Report

Day 11 - 2012/12/18

Drilling Services

v4.2.2674

PUMP PARAMETERS

PRESSURE ON BTM: 2725

PRESSURE OFF BTM: 2400

TOTAL FLOW RATE: 528.00 gal/min

PUMP 1: TYPE: PZ-11

EFF.: 95.0%

SPM: 60.00

LINER: 6.50 in

STROKE VOL.: 4.5112 gal/stk

PUMP 2: TYPE: PZ-11

EFF.: 95.0%

SPM: 60.00

LINER: 6.50 in

STROKE VOL.: 4.5112 gal/stk

PUMP 3: TYPE:

EFF.: 100.0%

SPM: 0.00

LINER: 0.00 in

STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water

VISC: 30 sec/qt

WTR LOSS: 0 cc/30min

PV: 1 cP

YP: 4 lb/100 ft²

pH: 8.5

DENSITY: 9.1 lb/gal

GEL 0/10: 0.00 lb/100 ft²

SAND: 0

SOLIDS: 2.8

OIL: 0

TEMP: 80 °F

LIQUID BASE: Water

LIQUID RATE: 528 gal/min

GAS TYPE:

GAS RATE: 0 cu ft/min

COMMENTS:

Drilling F/ 12,118' - 13,443'

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 12 - 2012/12/19

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Keith Martinson
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass, Maximo Martinez

GROUND ELEV: 3488 ft START DEPTH: 13443.0 ft PROGRESS: 907.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 14350.0 ft AVG. ROP.: 58.8 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-01:35	Rotating With Motor - 25 WOB 65 RPM	1.58	13537	6	09:45-11:00	Rotating With Motor - 25 WOB 65 RPM	1.25	14010	6
01:35-01:40	Circ & Accumulate Surveys - 13477	0.08	13537	6	11:00-11:05	Circ & Accumulate Surveys - 11.	0.08	14010	6
01:40-03:15	Rotating With Motor - 25 WOB 65 RPM	1.58	13632	6	11:05-12:15	Rotating With Motor - 25 WOB 65 RPM	1.17	14105	6
03:15-03:20	Circ & Accumulate Surveys - 13572	0.08	13632	6	12:15-12:20	Circ & Accumulate Surveys - @ 14,045'	0.08	14105	6
03:20-04:15	Rotating With Motor - 25 WOB 65 RPM	0.92	13663	6	12:20-13:25	Rotating With Motor - 25 WOB 65 RPM	1.08	14199	6
04:15-05:00	Orienting With Motor - 15' 180	0.75	13663	6	13:25-13:30	Circ & Accumulate Surveys - @ 14,139'	0.08	14199	6
05:00-05:45	Rotating With Motor - 25 WOB 65 RPM	0.75	13726	6	13:30-13:45	Rotating With Motor - 25 WOB 65 RPM	0.25	14210	6
05:45-05:50	Circ & Accumulate Surveys - 13666	0.08	13726	6	13:45-14:20	Orienting With Motor - 20' 110L	0.58	14230	6
05:50-07:15	Rotating With Motor - 25 WOB 65 RPM	1.42	13821	6	14:20-15:15	Rotating With Motor - 25 WOB 65 RPM	0.92	14294	6
07:15-07:20	Circ & Accumulate Surveys - @ 13,761'	0.08	13821	6	15:15-15:25	Circ & Accumulate Surveys - @ 14,234'	0.17	14294	6
07:20-07:50	Orienting With Motor - 15' HS	0.50	13836	6	15:25-16:15	Rotating With Motor - 25 WOB 65 RPM	0.83	14350	6
07:50-09:40	Rotating With Motor - 25 WOB 65 RPM	1.83	13915	6	16:15-24:00	Work Stuck Pipe & Circ	7.75	14350	6
09:40-09:45	Circ & Accumulate Surveys - @ 13,855'	0.08	13915	6			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 15.42 ORIENTING HRS: 1.83
 TIME DRILL: 0.00 ROTATING HRS: 13.58
 MOTOR REAM: 0.00
 CIRC: 8.58 ROTARY DRILL: 0.00
 MOTOR HRS: 24.00 DRILL HRS: 15.42

ROTARY DRILL: 0.00
 MOTOR HRS: 24.00
 TRIP: 0.00
 OTHER: 0.00
 TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: 21000 ft-lb STRING WEIGHT: 265000 lbs
 WOB SLIDING (HI): 70000 lbf WOB ROTATE (HI): 30000 lbf
 WOB SLIDING (LO): 60000 lbf WOB ROTATE (LO): 25000 lbf
 RPM (ROTARY): 65 rpm DRAG UP: 340000 lbf
 RPM (MOTOR): 147 rpm DRAG DN: 180000 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpac STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 24 MTR HRS TO DATE: 43.833333333333
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 2600 PRESSURE OFF BTM: 2300 TOTAL FLOW RATE: 528.00 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 60.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 60.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water VISC: 29 sec/qt WTR LOSS: 0 cc/30min PV: 1 cP YP: 3 lb/100 ft² pH: 9.5
 DENSITY: 9 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 1 SOLIDS: 0 OIL: 0 TEMP: 70 °F
 LIQUID BASE: Water LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

COMMENTS:

Drilling F/ 13,443' - 14,351'

At 4:15pm Began to work stuck pipe. Will displace mud in well with fresh water and try to work stuck pipe then.

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Day 13 - 2012/12/20

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Jeff Foster, Keith Martinson
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 14350.0 ft PROGRESS: 0.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 14350.0 ft AVG. ROP.: 0.0 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Operating (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPH	BHA	TIME	DAILY ACTIVITY	HRS	DPH	BHA
00:00-09:00	Work Stuck Pipe & Circ	9.00	14350	6	15:00-17:00	Other - See Comments - Running 2 nd logg	2.00	14350	6
09:00-13:30	Rig Up - Free point	4.50	14350	6	17:00-19:00	Other - See Comments - Back off joint	2.00	14350	6
13:30-15:00	Wait On Loggers - Wait on Stuck Logger	1.50	14350	6	19:00-24:00	POOH - See Comments - to p/u fish tools	5.00	14350	6

TIME SUMMARY (hrs):

MOTOR DRILL: 0.00 ORIENTING HRS: 0.00 ROTARY DRILL: 0.00
 TIME DRILL: 0.00 ROTATING HRS: 0.00 MOTOR HRS: 9.00
 MOTOR REAM: 0.00 TRIP: 5.00
 CIRC: 9.00 ROTARY DRILL: 0.00 OTHER: 10.00
 MOTOR HRS: 9.00 DRILL HRS: 0.00 TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: STRING WEIGHT 265000 lbs
 WOB SLIDING (HI): 0 lbf WOB ROTATE (HI): 0 lbf
 WOB SLIDING (LO): 0 lbf WOB ROTATE (LO): 0 lbf
 RPM (ROTARY): DRAG UP: 0 lbf
 RPM (MOTOR): DRAG DN: 0 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpac STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 9 MTR HRS TO DATE: 52.833333333333
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 0 PRESSURE OFF BTM: 0 TOTAL FLOW RATE: 557.13 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 65.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 65.00 LINER: 6.50 in STROKE VOL.: 4.5112 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: Water VISC: 28 sec/qt WTR LOSS: 0 cc/30min PV: 0 cP YP: 0 lb/100 ft² pH: 9
 DENSITY: 8.9 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 0 SOLIDS: 0 OIL: 0 TEMP: 0 °F
 LIQUID BASE: Water LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

COMMENTS:

Work Stuck Pipe

12/20/12 1:30 pm.

Talked to the Wade the company man and the fisherman and they said that the pipe was stuck in casing @ 2751' (pipe has collapsed) Currently we are waiting on a "Stuck pipe Loggers" to determine exactly if collapsed.

Then they will back off pipe, lay it down and go in with a mill assembly and a magnet assembly. Said that this could take several days.

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Day 14 - 2012/12/21

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Wade Kelsoe, Keith Martinson
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 14350.0 ft PROGRESS: 0.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 14350.0 ft AVG. ROP.: 0.0 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Standby (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-24:00	Other - See Comments - Milling on Csgn	24.00	14350	6			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 0.00 ORIENTING HRS: 0.00
 TIME DRILL: 0.00 ROTATING HRS: 0.00
 MOTOR REAM: 0.00
 CIRC: 0.00 ROTARY DRILL: 0.00
 MOTOR HRS: 0.00 DRILL HRS: 0.00

ROTARY DRILL: 0.00
 MOTOR HRS: 0.00
 TRIP: 0.00
 OTHER: 24.00
 TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: STRING WEIGHT 0 lbs
 WOB SLIDING (HI): 0 lbf WOB ROTATE (HI): 0 lbf
 WOB SLIDING (LO): 0 lbf WOB ROTATE (LO): 0 lbf
 RPM (ROTARY): DRAG UP: 0 lbf
 RPM (MOTOR): DRAG DN: 0 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpac STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 0 MTR HRS TO DATE: 52.833333333333
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 0 PRESSURE OFF BTM: 0 TOTAL FLOW RATE: 0.00 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: VISC: 0 sec/qt WTR LOSS: 0 cc/30min PV: 0 cP YP: 0 lb/100 ft² pH: 0
 DENSITY: 0 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 0 SOLIDS: 0 OIL: 0 TEMP: 0 °F
 LIQUID BASE: LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

COMMENTS:

On Standby: Milling and Fishing.

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 15 - 2012/12/22**Drilling Services**

v4.2.2674

FILE #: 4028184
JOB TYPE:
RIG & NO: H & P 416**WELL NAME:** Gaucho Unit #7 Re-entry
COMPANY: Devon Energy Corp
SURFACE LOCATION:**SERVICE CO.:** Precision Energy Services
SURVEY TYPE: Positive Pulse MWD
FIELD / LOCATION: Lea Co. / New Mexico / USA**Company Man:** Wade Kelsoe, Keith Martinson
DIR Supervisor: Rene Rosas, Tyrell Shoaf
MWD Supervisor: Dave Latch, Shawn Snodgrass**GROUND ELEV:** 3488 ft **START DEPTH:** 14350.0 ft **PROGRESS:** 0.0 ft **DAILY COST:** USD\$0.00
KB ELEV: 3513 ft **END DEPTH:** 14350.0 ft **AVG. ROP.:** 0.0 ft/hr **PREVIOUS COST:** USD\$0.00
TOTAL COST: USD\$0.00**WORK STATUS:** Standby (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DEPTH	BHA	TIME	DAILY ACTIVITY	HRS	DEPTH	BHA
00:00-24:00	Undefined - See Comments - Milling on CSG	24.00	14350	6			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 0.00	ORIENTING HRS: 0.00	ROTARY DRILL: 0.00
TIME DRILL: 0.00	ROTATING HRS: 0.00	MOTOR HRS: 0.00
MOTOR REAM: 0.00	TRIP: 0.00	
CIRC: 0.00	ROTARY DRILL: 0.00	OTHER: 24.00
MOTOR HRS: 0.00	DRILL HRS: 0.00	TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE:	STRING WEIGHT 0 lbs
WOB SLIDING (HI): 0 lbf	WOB ROTATE (HI): 0 lbf
WOB SLIDING (LO): 0 lbf	WOB ROTATE (LO): 0 lbf
RPM (ROTARY):	DRAG UP: 0 lbf
RPM (MOTOR):	DRAG DN: 0 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6	HOLE SIZE: 8.75 in	SECTION TYPE: Lateral 2	SURVEY TYPE: Positive Pulse MWD
MANFCT.: Mpac	STABILIZER: No	SERIAL#: MSD67D1779SR	MODEL:
SETTING: 1.5 °	KICKPAD: No	SIZE: 6 3/4" (171mm)	MTR HRS THIS DAY: 0
MANFCT: Halliburton	BIT TYPE: PDC Bit	TYPE: MM66D	NOZZLES: 0.557 in ² TFA
IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD			

PUMP PARAMETERS

PRESSURE ON BTM: 0	PRESSURE OFF BTM: 0	TOTAL FLOW RATE: 0.00 gal/min
PUMP 1: TYPE: PZ-11	EFF.: 95.0% SPM: 0.00	LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
PUMP 2: TYPE: PZ-11	EFF.: 95.0% SPM: 0.00	LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
PUMP 3: TYPE:	EFF.: 100.0% SPM: 0.00	LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE:	VISC: 0 sec/qt	WTR LOSS: 0 cc/30min	PV: 0 cP	YP: 0 lb/100 ft ²	pH: 0
DENSITY: 0 lb/gal	GEL 0/10: 0.00 lb/100 ft ²	SAND: 0	SOLIDS: 0	OIL: 0	TEMP: 0 °F
LIQUID BASE:	LIQUID RATE: 0 gal/min	GAS TYPE:	GAS RATE: 0 cu ft/min		

COMMENTS:

06:00-24:00 Milling/Fishing

CUSTOMER SIGNATURE:

**Weatherford**

Daily Activity Report

Day 16 - 2012/12/23

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Wade Kelsoe, Keith Martinson
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 14350.0 ft PROGRESS: 0.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 14350.0 ft AVG. ROP.: 0.0 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Standby (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-24:00	Other - See Comments - Milling	24.00	14350	6			0.00		

TIME SUMMARY (hrs):

MOTOR DRILL: 0.00 ORIENTING HRS: 0.00 ROTARY DRILL: 0.00
 TIME DRILL: 0.00 ROTATING HRS: 0.00 MOTOR HRS: 0.00
 MOTOR REAM: 0.00 TRIP: 0.00
 CIRC: 0.00 ROTARY DRILL: 0.00 OTHER: 24.00
 MOTOR HRS: 0.00 DRILL HRS: 0.00 TOTAL HRS: 24.00

DRILLING PARAMETERS:

ROTARY TORQUE: STRING WEIGHT 0 lbs
 WOB SLIDING (HI): 0 lbf WOB ROTATE (HI): 0 lbf
 WOB SLIDING (LO): 0 lbf WOB ROTATE (LO): 0 lbf
 RPM (ROTARY): DRAG UP: 0 lbf
 RPM (MOTOR): DRAG DN: 0 lbf

BHA / MOTOR / BIT INFORMATION:

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpac STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 0 MTR HRS TO DATE: 52.833333333333
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

PUMP PARAMETERS

PRESSURE ON BTM: 0 PRESSURE OFF BTM: 0 TOTAL FLOW RATE: 0.00 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

MUD RECORD

MUD TYPE: VISC: 0 sec/qt WTR LOSS: 0 cc/30min PV: 0 cP YP: 0 lb/100 ft² pH: 0
 DENSITY: 0 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 0 SOLIDS: 0 OIL: 0 TEMP: 0 °F
 LIQUID BASE: LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

COMMENTS:

06:00 - 24:00 Fishing/ POOH

CUSTOMER SIGNATURE: _____

**Weatherford**

Daily Activity Report

Day 17 - 2012/12/24

Drilling Services

v4.2.2674

FILE #: 4028184
 JOB TYPE:
 RIG & NO: H & P 416

WELL NAME: Gaucho Unit #7 Re-entry
 COMPANY: Devon Energy Corp
 SURFACE LOCATION:

SERVICE CO.: Precision Energy Services
 SURVEY TYPE: Positive Pulse MWD
 FIELD / LOCATION: Lea Co. / New Mexico / USA

Company Man: Wade Kelsoe, Keith Martinson
 DIR Supervisor: Rene Rosas, Tyrell Shoaf
 MWD Supervisor: Dave Latch, Shawn Snodgrass

GROUND ELEV: 3488 ft START DEPTH: 14350.0 ft PROGRESS: 0.0 ft DAILY COST: USD\$0.00
 KB ELEV: 3513 ft END DEPTH: 14350.0 ft AVG. ROP.: 0.0 ft/hr PREVIOUS COST: USD\$0.00
 TOTAL COST: USD\$0.00

WORK STATUS: Standby (All units are imperial.)

TIME	DAILY ACTIVITY	HRS	DPTH	BHA	TIME	DAILY ACTIVITY	HRS	DPTH	BHA
00:00-08:30	POOH - See Comments - P/u Mill assmbly	8.50	14350	n/a	18:00-19:30	Handle Directional Tools	1.50	14350	6
08:30-13:00	RIH - See Comments - New Mill Asmbly	4.50	14350	6	19:30-21:00	Other - See Comments - Load tools	1.50	14350	6
13:00-18:00	POOH - See Comments - Lay dwn tools/TD	5.00	14350	6	21:00-24:00	Travel Home	3.00	14350	6

TIME SUMMARY (hrs):				DRILLING PARAMETERS:			
MOTOR DRILL: 0.00	ORIENTING HRS: 0.00	ROTARY DRILL: 0.00	ROTARY TORQUE:	STRING WEIGHT 0 lbs			
TIME DRILL: 0.00	ROTATING HRS: 0.00	MOTOR HRS: 0.00	WOB SLIDING (HI): 0 lbf	WOB ROTATE (HI): 0 lbf			
MOTOR REAM: 0.00		TRIP: 18.00	WOB SLIDING (LO): 0 lbf	WOB ROTATE (LO): 0 lbf			
CIRC: 0.00	ROTARY DRILL: 0.00	OTHER: 6.00	RPM (ROTARY):	DRAG UP: 0 lbf			
MOTOR HRS: 0.00	DRILL HRS: 0.00	TOTAL HRS: 24.00	RPM (MOTOR):	DRAG DN: 0 lbf			

— BHA / MOTOR / BIT INFORMATION: —

BHA: 6 HOLE SIZE: 8.75 in SECTION TYPE: Lateral 2 SURVEY TYPE: Positive Pulse MWD
 MANFCT.: Mpac STABILIZER: No SERIAL#: MSD67D1779SR MODEL: LOBE CFG.: 7/8
 SETTING: 1.5 ° KICKPAD: No SIZE: 6 3/4" (171mm) MTR HRS THIS DAY: 0 MTR HRS TO DATE: 52.833333333333
 MANFCT: Halliburton BIT TYPE: PDC Bit TYPE: MM66D NOZZLES: 0.557 in² TFA
 IADC BIT GRADE: 3 / 4 / BT / A / X / 2 / ? / TD

— PUMP PARAMETERS —

PRESSURE ON BTM: 0 PRESSURE OFF BTM: 0 TOTAL FLOW RATE: 0.00 gal/min
 PUMP 1: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 2: TYPE: PZ-11 EFF.: 95.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk
 PUMP 3: TYPE: EFF.: 100.0% SPM: 0.00 LINER: 0.00 in STROKE VOL.: 0.0000 gal/stk

— MUD RECORD —

MUD TYPE: VISC: 0 sec/qt WTR LOSS: 0 cc/30min PV: 0 cP YP: 0 lb/100 ft² pH: 0
 DENSITY: 0 lb/gal GEL 0/10: 0.00 lb/100 ft² SAND: 0 SOLIDS: 0 OIL: 0 TEMP: 0 °F
 LIQUID BASE: LIQUID RATE: 0 gal/min GAS TYPE: GAS RATE: 0 cu ft/min

— COMMENTS: —

CUSTOMER SIGNATURE: _____



Weatherford[®]

Devon Energy
Gaucha Unit #7 RE
Lea County, New Mexico

Section 6

Weatherford Directional Services

Midland District Personnel



Drilling Systems & MWD Personnel

Damien Tarpley	Area Manager	Office (432) 561-8892 Cell (806) 549-0900
Orry Armendariz	Directional Drilling Coordinator Supervise Directional Drillers and daily rig operations.	Office (432) 561-8892 Cell (432) 290-1644
Jesse Aguilar	MWD Coordinator Supervise MWD Personnel and daily rig operations.	Office (432) 561-8892 Cell (432) 202-1807
Scott Dixon	Account Manager Customer support at its best.	Office (405) 720-4270
Jayne Wilson	Administrative Assistant Customer billing/invoicing_Midland, TX	Office (432) 561-8892

Russell W. Joyner	Well Planning	Office (281) 260-1419 Cell (713) 303-5511
Responsible for well preplanning and provide technical support during job.		

Sammy Dominguez	R&M Shop Services	Office (432) 561-8892 (432) 661-5939
Responsible for monitoring downhole tool performance and evaluating field incidents.		

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOGS

5. Lease Serial No.
NMNM 92781

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☐ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resv.
Other: Recomplete

OCT 31 2013

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
NMNM 94480X

8. Lease Name and Well No.
GAUCHO UNIT 7

9. AFI Well No.
30-025-34440

10. Field and Pool or Exploratory

ANTELOPE RIDGE, AS, IN

11. Sec., T., R., M., on Block and
Survey or Area
17-22S-34E

12. County or Parish

LEA

13. State

NM

2. Name of Operator
DEVON ENERGY PRODUCTION COMPANY, L.P.

RECEIVED

3. Address Attn: DAVID H. COOK,
333 W. SHERIDAN AVE., OKLAHOMA CITY, OKLAHOMA 73102-5010

3a. Phone No. (include area code)
(405) 552-7848

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface UNIT K, 1650 FSL & 1980 FWL

PP: 1650 FSL & 1980 FWL

At top prod. interval reported below

At total depth UNIT K, 2618 FSL & 1991 FWL; 20-22S-34E

14. Date Spudded
07/29/2008

15. Date T.D. Reached
12/25/2012

16. Date Completed 02/24/2013
☐ D & A ☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
3488' GL

18. Total Depth: MD 14,266'
TVD

19. Plug Back T.D.: MD 14,225'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

No open hole logs were run

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☐ No ☒ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
26"	20, K-55	96.5#	0	827'		1025sx		Surface	
17-1/2"	13-3/8, K-55	61#	0	2,290'		1,350sx		Surface	
12-1/4"	9-5/8, N-80	40#	0	5,172'		1,700sx		Surface	
8-3/4"	5-1/2", P-110	17#	0	14,266'		3,210sx		Surface	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
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25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) 2nd BONE SPRING	10,560'	14,202'	10,560' - 14,202'	0.42"	252	Open
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
10,560' - 14,202'	Frac 7 Stages w/ total: 1,063,010# 30/50 White Sand, 21,319 gallons 7.5% HCL, 765,211# SLC, 20/40, flush w/4,849 bbls SW (See attached detailed summary)

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
2/24/13	2/27/13	24	→	335	434	123			FLOWING
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
		140	→	335	434	123			

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD
PRODUCING

OCT 26 2013

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

NOV 25 2013

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
RUSTLER	1617'	1901'		RUSTLER	1617'
TOP OF SALT	1901'	3420'		TOP OF SALT	1901'
BASE OF SALT	3420'	4193'		BASE OF SALT	3420'
CAPTIAN REEF	4193'	7085'		CAPTIAN REEF	4137'
BRUSHY CANYON	7085'	8509'	OIL & SALT WATER	BRUSHY CANYON	7085'
BONE SPRING	8509'	11409'	OIL & SALT WATER	BONE SPRING	8509'
WOLFCAMP	11409'	TD	OIL & SALT WATER	WOLFCAMP	11409'

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☒ Directional Survey
- ☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) DAVID H. COOK

Title REGULATORY SPECIALIST

Signature

Date 09/25/2013

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

(Form 3160-4, page 2)

McMillan, Michael, EMNRD

From: Kautz, Paul, EMNRD
Sent: Thursday, May 01, 2014 2:47 PM
To: McMillan, Michael, EMNRD
Subject: RE: Gaucho Unit 7H pool API number: 30-025-34440

Hi Michael

Pool: WC-025 G-06 S223421L;Bone Spring Poolid: 97922

Paul

From: McMillan, Michael, EMNRD
Sent: Thursday, May 01, 2014 11:40 AM
To: Kautz, Paul, EMNRD
Subject: Gaucho Unit 7H pool API number: 30-025-34440

Paul:

Can you tell me the pool that the Gaucho Unit 7H should be in? Its producing interval is in the SE/4 SW/4 of section 17 and E/2 NW/4 of section 20 T22S 34E. API number: 30-025-34440
The C-102 on file has it in the Antelope Ridge BS, West. I received an updated C-102 from Devon that has the well in the Bell Lake Bone Spring, North Pool.
This was the well that had the producing area reduced from 160-acres to 120-acres.

Thank You
Mike