COPY

MARLIN OIL COMPANY #2 PHELPS-DODGE

Colfax County, New Mexico

1534 FSL & 1751 FEL Section 4-T28N-R21E

Elevation 6634 ground, 6644 KB

Drilling Contractor: Jim Snyder Drilling Co., Gene Owens, Pusher

Well site Geologist: Gerald O. Bailey, Las Vegas, N.M.

Cementing & Services: Halliburton, Lamar, Colorado

Cores: None Drill Stem Tests: None

Electrical Logging: Petro-Log, Fort Morgan, Colorado Logs: IES, FDC

Surface Casing: 160' of 8 5/8 set prior to MIR

Spud: 10:30 AM, 1-13-80

Total Depth 3324 drlr, 3318 log @ 5:30 AM 2-8-80 Logging completed 7:00 PM 2-8-80

MORNING REPORTS as of 7 AM

Drilling rat hole 1-12-80 Drilling mouse hole 1-13-80 Drilling @ 690'. Spud 10:30 AM, 1-13-80 1-14-80 Condition hole @ 1082', lost circulation 1-15-80 Condition hole @ 1367', lost circulation Condition hole @ 1367', lost circulation Condition bole @ 1415', lost circulation 1-16-80 1-17-80 1-18-80 WOC @ 1415', cemented at 1415' 1-19-80 Drilling cement plug, depth 1415° 1-20-80 Drilling @ 1655 1-21-80 Drilling @ 2045' 1-22-80 Going in hole @ 2110°, lost circulation 1-23-80 Drilling @ 2270' 1-24-80 Out of hole @ 2453', lost circulation 1-25-80 Out of hole @ 2457!, lost circulation 1-26-80 Condition hole @ 2457' 1-27-80 Drilling @ 2612 * 1-28-80 Out of hole @ 2910, lost circulation 1-29-80 1-30-80 WOC @ 2910', set cement plug
1-31, 2-1, 2-2, 2-3, 2-4 at 2910' trying to regain circulation Drilling @ 3055', resumed drilling 1AM, 2-5-80 2-5-80 Drilling @ 3133'. Lost circulation @ 3103', 10:40AM 2-5-80; 2-6-80 resume drilling 4:30AM 2-6-80 Drilling @3197. Lost circulation @ 3114', resumed drilling 2 - 7 - 809:30PM, 226-80 Circulate for logs @ 3324' 2-8-80 P&A. Logging completed 7PM 2-8-80. Plugged with 25 sx @ TD, 2-9-80

25 sx in bottom of surface casing, 5 sx in top of surface casing, dry hole marker cemented in top of surface casing.