

Feb. 28, 1984 No drilling. Roy Johnson with the State of New Mexico Oil Conservation Division was waiting at the Koehler Gate. Took him up to drill site #3 Kaiser. He put 2 notices on the rig, one in the cab and one in the pipe carousel. Notice was to cease all drilling operations for failure to comply with the rules and regulations of the New Mexico Oil Conservation Div. (1) The well is not permitted; (2) the performance bond has not been satisfied (\$10,000); (3) well locations #1Y & 2 need mud pits filled in; and (4) wells 1 & 2 need markers put in them. The access road to well site #3 has been good, but muddy in a few places. The roughness of the road and boulders along side the road may warrant more dozer work to get equipment to location. Drill crew did not arrive today as was expected from my conversation with Jack Donaldson on Monday, Feb. 27. The weather is clear and warm.

Feb. 29, 1984 No drilling. Jack Donaldson called this morning..... drill crew should be in this morning sometime; do not let anyone onto lease area that is not authorized to be there and especially not Paul Schultz or Jim Wilson, he does not want any erroneous information to leak out. The drill crew had not arrived as of 4:00 pm. The weather is clear and warm.

March 1, 1984 No drilling. The drillers with Westar Drilling arrived at Koehler at 3:30 pm. They are going to have to fill in mud pits and place markers on drill holes prior to getting a permit from the State of New Mexico Oil Conservation Div. to proceed with drilling. The weather is clear and warm.

March 2, 1984 No drilling. The drillers moved the equipment off of location #2. Atwater Construction cleaned locations 1 & 2 filling in the mud pits. Bob Scoggins with Petroleum Engineering Services Company (an independent petroleum engineer hired by Humble Exploration) arrived today. Drill hole markers for wells 1 & 2 are being made up. The weather is clear and warm.

March 3, 1984 No drilling. Atwater Construction worked on access road to drill site #3. Drill crew moved drill pipe, water tanks, and doghouse to drill site. The weather is clear and warm.

March 4, 1984 No drilling. The weather is cold and snowing.

March 5, 1984 Atwater Construction moved the dozer out of the area. Bob Scoggins went to Santa Fe to get permit approved. Well markers were put of drill holes 1 & 2. Drill crews moved casing up to location. Drilled from 40' to 220' (180') today. Will finish drilling and set surface casing tomorrow. Samples are taken at 10' intervals. The weather is cold and windy with scattered clouds.

March 6, 1984 Drilled from 220' to 325' today (105'). Petro-Thermo delivered water to drill site at 9:30 am. Halliburton Services arrived at 12:00 noon. Waited on Atwater Construction to arrive with dozer to pull trucks to drill rig. Dozer arrived at 1:30 pm. Halliburton got set up on location at 4:45 pm and finished cementing casing at 5:15 pm. Set 322' of 7" surface casing.