

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Saga Petroleum LLC

3a. Address
415 W. Wall, Suite 1900, Midland, TX 79701

3b. Phone No. (include area code)
(915)684-4293

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1330' FSL & 660' FWL
Sec 13 (L) T20S, R27E

5. Lease Serial No.
NM 13410

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
POTTS FEDERAL #3

9. API Well No.
30-015-32645

10. Field and Pool, or Exploratory Area
BURTON FLAT, MORROW

11. County or Parish, State
Eddy
NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/ Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Spud, surf csg</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Sqz/loss circ</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	<u>inter csg</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Nabors Rig #142 - Spud 17-1/2" hole @ 3:00 PM 3-1-03

3-3-03 Ran 10 jts (423.24') 13-3/8" 48# H-40 csg w/TP guide shoe (btm depth 419'), insert float (btm depth 375.99') shoe jt (btm depth 418.19') & 4 centralizers 1 @ 401', 376', 246' & 36' (inside 20" conductor). Halliburton cmt'd w/200 sx Class C + 2% CaCl, 4% gel & .50ppg Flocele mixed @ 13.7 ppg, yield 1.68 CF/sk lead & tail in w/200 sx Class C + 2% CaCl mixed @ 14.8 ppg, yield 1.34 CF/sk. Circ 10 bbls good cmt to surface. Cmt level in conductor pipe was static & no top job was required, PD & cmt in place @ 11:30 AM 3-2-03. BLM rep Jim Amos on location to witness surface csg & cmtg job. WOC 12 hrs before drlg out Test BOP & 13-3/8" csg to 1000 psi - good.

3-7 1578' - 12-1/4" hole - drlg w/partial returns - Mix & pump lost circulation material during drlg operations

3-8 Lost complete returns @ 1602', mix & pump LCM pill -mix & spot "drill-out" LCM pill & spot same @ 1600' - did not regain circ - spot 1st/of 2 "low loss" LCM pills-wait 1-hr - did not regain full circ-3 hrs-spot 2nd "low loss" LCM pill- wait 1-hr, did not regain circ. 3-1/2 hrs TOO H, SLM for open hole cmt operations.

Cont on back of form.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Bonnie Husband

Title
Production Analyst

Signature

Bonnie Husband

Date

03/13/2003

ACCEPTED FOR RECORD

MAR 14 2003

LES BABYAK
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes 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.

(Instructions on reverse)

3-9-03 1660' - Press test pump & lines to 3500 psi - ok. Cmt lost circ interval 1400'-1660' w/150 sx Class C PP w/10#/sk Calseal + 10#/sk Gilsonite mix @ 14.2 PPG, yield 1.42 Cf/sk & tail in w/150 sx Class C PP w/2% CaCl mix @ 14.8 ppg, yield 1.32 Cf/sk. Displace w/20 bbls FW. PD shear @ 2800 psi & cmt in place @ 10:30 AM. 10-1/2 hrs WOC -tag top cmt @ 1070' 4 hrs Drl cmt, tbg release tool & FG tbg to 1366' - returns 85-90%.

3-13-03 Day 12- 3000' Complete NU of BOP & prep to press test - Cum Rot hrs = 154.5 MW 8.4, Vis 28, pH 10.0, Cl 5,000, Cal 980, Mag 220. Bit #3 12-1/4" KD HA 617 Y SN#05728 - 35K - 65 RPM Jets 14-14-14 in @ 1324' - out @ 3000' - drld 1676' in 98.25 hrs. Past 24 hrs: 1/2 hr circ & cond hole. 5 hrs drop Totco & TOO, LD 8" DC, RR & Bit #3 (totco-misrun). 4 hr - conduct safety mtg, RU csg crew & run 71 jts 9-5/8" csg to 2990'. Csg detail follows. 1 hr - Wash last jt to btm, circ & cond hole. 2-1/2 hrs - Conduct safety mtg, RU Halliburton, press test pump & lines. Cmt 9-5/8" csg w/860 sx lead & 200 sx tail. Displace w/228 BFW. PD & cmt in place @ 6:45 PM 3-12-02. Circ 98 bbls (225 sx) good cmt to pit. RD Halliburton. 4 hrs - MI & RU Monahans NU Service. PU BOP stack & set 9-5/8" csg slips w/csg in full tension. Cutoff 9-5/8" csg & NU "B" section to 1600#-ok. 7 hr - Complete ND of 3000# BOP stack & NU 5000# BOP stack, et al. BLM rep Kathy Queen on location to witness cmt job & press test.

Btm Depth

70 jts - 9-5/8" 36# J-55 ST&C 8rd csg 2948.15'	2944.99'
1 9-5/8" Float Collar 1.33'	2946.32'
1 9-5/8" 36# J-55 8rd Shoe Jt 42.18'	2988.50'
1 9-5/8" Guide Shoe 1.50'	2990.00'
Total Length = 2993.16'	

Ran 8 centralizers 1 @ 2970', 2860', 2776', 2650', 2566', 634', 382' & 88' - last 2 inside 13-3/8" surface sg. Cmt lead w/860 sx Class C w/.25 PPS Flocele Mix @ 11.9 ppg, yield 2.45 Cf/Sk, tailed in w/200 sx Class C w/2% CaCl, mix @ 14.8 ppg, yield 1.34 Cf/Sk. Circ 98 bbls/225 sx good cmt to surface. PD & cmt in place @ 6:45 PM 3-12-03. Presently WOC

RECEIVED

2003 MAR 14 AM 10:13

BUREAU OF LAND MGMT
ROSWEIL OFFICE