

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.5. Lease Serial No.
NMSF079511A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FLORANCE I 38B9. API Well No.
30-045-31842-00-X110. Field and Pool, or Exploratory
BLANCO MESAVERDE11. County or Parish, and State
SAN JUAN COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

BP AMERICA PRODUCTION CO

Contact: MARY CORLEY

E-Mail: corleyml@bp.com

3a. Address

P. O. BOX 3092
HOUSTON, TX 77253

3b. Phone No. (include area code)

Ph: 281.366.4491
Fx: 281.366.0700

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 14 T30N R8W SENW 1520FNL 1795FWL

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 Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplate horizontally, give subsurface locations and 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 recompletion 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.)

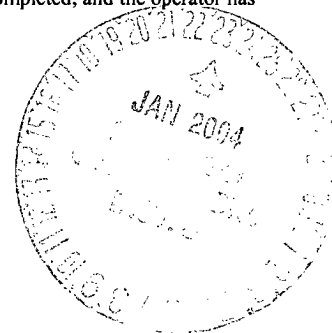
Summary of Drilling, Casing Setting & Cementing Record. Please see attached for complete drilling activity.

MIRU Drilling Unit. @ 00:45 Hrs on 12/12/2003 Spud a 13 1/2" surface hole. Drilled to 144'. RU & ran 9 5/8", 32.3# H-40 surface CSG to 137'. CMT w/117 SXS CLS G + 3% CACL2, 0.25#/SX D29, 15.8 PPG, Yield 1.18 cuft/sx. Circ 2 BBLS good CMT to surface. NU BOP & tested to 750# high, 250# low. Test OK

Drilled out CMT. Drilled a 8 3/4" hole to 3076'. RU & set 7", 20# J-55 CSG to 3073'. CMT w/370 SXS CLS G Lead mixed @ 11.7 PPG, yield 2.61 cuft/sx, followed w/65 SXS CLS G Tail mixed @ 13.5 PPG, yield 1.26 cuft/sx. Circ 50 BBLS good CMT to pit. Press test to 1500# high, 250# low. Test OK.

Drill out CMT. Drilled a 6 1/4" hole to 6238'. TD @ 11:15 hrs on 01/02/2004. RU & set 4 1/2", 10.5#, J-55, production liner to 6038'. CMT w/220 SXS of 9.5 Litecrete, Yield 2.52 cuft/sx. TOL

2911



14. I hereby certify that the foregoing is true and correct.

Electronic Submission #26861 verified by the BLM Well Information System

For BP AMERICA PRODUCTION CO, sent to the Farmington

Committed to AFMSS for processing by ADRIENNE GARCIA on 01/21/2004 (04AXG0211SE)

Name (Printed/Typed) MARY CORLEY

Title AUTHORIZED REPRESENTATIVE

Signature

(Electronic Submission)

Date 01/15/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	ADRIENNE GARCIA Title PETROLEUM ENGINEER	Date 01/21/2004
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 Farmington

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ******NMOCD**

Additional data for EC transaction #26861 that would not fit on the form

32. Additional remarks, continued

@ 2911'. TOC @ 2811'. RDMOSU Rig release @ 16:00 hrs. on 01/03/2004.

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Spud Date: 12/12/2003
 Start: 12/8/2003
 End: 1/3/2004
 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/9/2003	00:00 - 08:00	8.00	MOB	N	RREP	PRE	PULL TOP DRIVE OUT OF RIG & RIG DN. & PREP TO MOVE TO NEXT WELL.
	08:00 - 08:30	0.50	MOB	N	RREP	PRE	HELD SAFETY MTG W/ TRIPLE S & PREP TO MOVE RIG TO NEW WELL SITE.
	08:30 - 11:00	2.50	MOB	P		PRE	ROAD RIG TO NEW MEXICO.
	11:00 - 12:00	1.00	RIGU	P		PRE	MOVE RIG IN RIG UP ON THE FLORANCE I 38 B.
	12:00 - 00:00	12.00	MOB	P		PRE	MOVE IN RU/ UNIT & EQUIPMENT. RIG REPAIRS.
12/10/2003	00:00 - 07:00	7.00	MOB	N		PRE	RIG REPAIRS.
	07:00 - 11:00	4.00	MOB	P		PRE	SPUD MEETING @ AWS YARD.
	11:00 - 00:00	13.00	MOB	N		PRE	RIG REPAIRS.
12/11/2003	00:00 - 08:00	8.00	MOB	N		PRE	RIG REPAIRS.
	08:00 - 16:00	8.00	MOB	P		PRE	RIG UP EQUIPMENT, RESTRING DRILL LINE, UNLOAD DRILL PIPE & CSG.
12/12/2003	16:00 - 00:00	8.00	MOB	N		PRE	RIG REPAIRS, HAD TO PUT NEW SEALS ON TOP DRIVE.
	00:00 - 00:45	0.75	MOB	N		PRE	REPLACED SEALS ON TOP DRIVE.
	00:45 - 03:15	2.50	DRILL	P		SURF	DRILL OUT SURFACE HOLE. FROM 11' TO 144'
							SPUD WELL 12/12/2003 @ 00.45
	03:15 - 03:45	0.50	DRILL	P		SURF	RUN SURVEY .5 DEGREE
	03:45 - 04:30	0.75	DRILL	P		SURF	TOH. XO-TOOLS FOR 9-5/8" CSG.
	04:30 - 06:15	1.75	CASE	P		SURF	TIH W/ CSG. SHOE, 1 JT. FLOAT COLLAR & REST OF CSG.
	06:15 - 07:30	1.25	CASE	P		SURF	CIRCULATE WELL, RU/SLB.
	07:30 - 08:00	0.50	CEMT	P		SURF	SAFETY MEETING W/ EVERYONE ON LOCATION.
	08:00 - 08:30	0.50	CEMT	P		SURF	PRESSURE TESTED LINES TO 1000 PSI. IT HELD OK., CEMENTED SURFACE STRING WITH 24.6 BBLs. WITH 3% CACL. GOOD RETURNS TO SURFACE 2 BBLs. OF CEMENT TO SURFACE.
	08:30 - 16:00	7.50	CEMT	P		SURF	WAIT ON CEMENT. PER BLM REQUIREMENT.
	16:00 - 21:45	5.75	CEMT	P		SURF	NUWH & BOP'S.
	21:45 - 00:00	2.25	CEMT	P		SURF	RU/FMC, TRY TO PRESSURE UP CSG. AND BOP'S, THEY WILL NOT HOLD PRESSURE. ISOLATED FMC'S MANYFOLD AND FOUND NIDDLE VALVES LEAKING. REPLECE THEM. TRY TO PRESSURE TEST CSG & BOP'S AGAIN AND DID NOT HOLD. FOUND LEAK AT BOTTOMOF WELL HEAD.
12/13/2003	00:00 - 03:00	3.00	BOPSUR	N		SURF	NDBOP, MANIFOLD & WELL HEAD. BECAUSE IT FAILED PRESSURE TEST.
	03:00 - 06:00	3.00	BOPSUR	N		SURF	NUWH, MANIFOLD & BOP. TRY TO PRESSURE TEST BOP & SURFACE PIPE IT FAILED. LEAKING @ WELL HEAD THREADS.
	06:00 - 08:00	2.00	WHSUR	N		SURF	NDBOP, MANIFOLD & WELL HEAD FOR CUT OFF.
	08:00 - 16:00	8.00	WHSUR	N		SURF	CUT OFF CSG. THREADS, WELDED BELL NIPLE ON, LET IT COOL OFF. SCREW ON NEW WELL HEAD, NUBOP'S RU/FMC TO PRESURE TEST CSG. IT DID NOT HOLD PRESSURE. TROBLE SHOOT LEAK. FOUND CSG. FLOAT COLLAR NOT HOLDING.
	16:00 - 22:00	6.00	BOPSUR	N		SURF	PICK UP TES PLUG, PRESSURE TESTED AGAINST BLIND RAMS TO 250 PSI. LOW & 750 PSI. HIGH. BLINDS TESTED OK. TEST OUTER MANIFOLD VALVES TO 250 PSI. LOW & 750 PSI. HIGH. VALVES TESTED OK. TEST INTER MANIFOLD VALVES TO 250 PSI. & 750 PSI. THEY TESTED OK.
	22:00 - 23:00	1.00	BOPSUR	N		SURF	PRESSURE TESTED PIPE RAM & KELLY COCK VALVE, RAMS DID NOT HOLD PRESSURE TROUBLE SHOOT

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Spud Date: 12/12/2003
 Start: 12/8/2003
 End: 1/3/2004
 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/13/2003	22:00 - 23:00	1.00	BOPSUR N			SURF	PROBLEM COULD NOT GET RAMS TO HOLD PRESSURE.
	23:00 - 00:00	1.00	BOPSUR N			SURF	WAITED ON NEW SET OF RAMS.
12/14/2003	00:00 - 02:00	2.00	BOPSUR N		WAIT	SURF	WAITED ON NEW SET OF PIPE RAMS.
	02:00 - 03:00	1.00	BOPSUR N			SURF	INSTALL NEW PIPE RAMS.
	03:00 - 04:30	1.50	BOPSUR P			SURF	PRESSUREE TESTED PIPE RAMS & KELLY COCK TO 250 PSI. LOW & 750 PSI. HIGH. THEY HELD OK.
	04:30 - 05:00	0.50	BOPSUR P			SURF	PULLED PLUG OUT OF WELL HEAD.
	05:00 - 08:00	3.00	BOPSUR N		SFAL	SURF	GET PUMPS READY & CIRCULATE SYSTEM. (FROZEN EQUIPMENT).
	08:00 - 08:30	0.50	DRILL P			SURF	STRAP, ID & OD MOTOR, SUBS, MWD & DRILL COLLARS.
	08:30 - 09:30	1.00	DRILL P			SURF	PICK UP & MAKE UP TOOLS, TIH. TAGGED CEMENT @ 85'.
	09:30 - 13:00	3.50	DRILL N		SFAL	SURF	AS WE TRY TO CIRCULATE PUMPS WERE NOT PUTTING OUT ENOUGH PRESSURE, THE MOST WE COULD GET OUT OF THEM WAS 300 PSI @ 94 SPM. NEEDED AT LEAST 500 PSI TO START DRILLING. TROUBLE SHOOT PROBLEM. BREAK CIRCULATION.
	13:00 - 13:45	0.75	DRILL P			SURF	DRILL OUT CEMENT FROM FROM 85' TO 145'.
	13:45 - 15:15	1.50	DRILL P			PROD1	DRILL OUT FROM 145' TO 242'.
	15:15 - 16:00	0.75	DRILL N			PROD1	GEO LINE BUSTED, REPLACE SHIVE & REPAIR LINE.
	16:00 - 21:00	5.00	DRILL P			PROD1	DRILL OUT FROM 242' TO 597'.
	21:00 - 22:00	1.00	DRILL N			PROD1	GEO LINE BUSTED AGAIN, REPLACE ENTIRE STRING OF LINE.
12/15/2003	22:00 - 00:00	2.00	DRILL P			PROD1	DRILL OUT FROM 597' TO 723'
	00:00 - 08:00	8.00	DRILL P			PROD1	DRILL OUT DIRECTIONAL WELL FROM 723' TO 1080'.
	08:00 - 16:00	8.00	DRILL P			PROD1	DRILL OUT DIRECTIONAL WELL FROM 1080' TO 1689'
	16:00 - 16:45	0.75	DRILL P			PROD1	XO- STRIPPING RUBBER.
	16:45 - 00:00	7.25	DRILL P			PROD1	DRILL OUT DIRECTIONAL WELL FROM 1689' TO 2184'
12/16/2003	00:00 - 07:00	7.00	DRILL P			PROD1	DRILL OUT DIRECTIONAL FROM 2184' TO 2460'.
	07:00 - 07:30	0.50	DRILL P			PROD1	SERVICE LIGHT PLANT & PUMPS.
	07:30 - 08:00	0.50	DRILL P			PROD1	DRILL OUT DIRECTIONAL FROM 2460' TO 2470'.
	08:00 - 11:45	3.75	DRILL P			PROD1	DRILL OUT DIRECTIONAL FROM 2470' TO 2617'.
	11:45 - 14:45	3.00	DRILL N		RREP	PROD1	A WELDED ELBOW AT STAND PIPE ROPTURE. LD/120' OF PIPE, RU/HOSE TO CIRCULATE WELL, WAITED ON WELDER TO FIX LEAK.
	14:45 - 16:00	1.25	DRILL P			PROD1	DRILL OUT DIRECTIONAL FROM 2617' TO 2649'.
	16:00 - 17:00	1.00	DRILL P			PROD1	DRILL DIRECTIONAL FROM 2649' TO 2681'.
	17:00 - 18:30	1.50	DRILL P			PROD1	REPLACED STRIPPER RUBBER, WORKED PIPE FREE. (PIPE BECAME VERY TIGHT, UNABLE TO ROTATE).
	18:30 - 19:00	0.50	DRILL P			PROD1	DRILL DIRECTIONAL FROM 2681' TO 2701'. PIPE STARTED TO TORQUE UP, IT BECAME HARD TO DRILL. DECIDED TO MUD UP & CIRCULATE WELL.
	19:00 - 20:30	1.50	DRILL P			PROD1	CIRCULATE WELL. WORKED ON STRIPPING RUBBER.
	20:30 - 21:15	0.75	DRILL P			PROD1	PULLED OUT OF HOLE 20 STANDS.
	21:15 - 23:30	2.25	DRILL N			PROD1	XO-WASH OVER STRIPPING HEAD & FLANGE.
	23:30 - 00:00	0.50	DRILL P			PROD1	TIH.
12/17/2003	00:00 - 01:00	1.00	DRILL P			PROD1	TIH. AFTER REPAIRS ON STRIPPING HEAD.
	01:00 - 08:00	7.00	DRILL P			PROD1	DRILL DIRECTIONAL FROM 2701' TO 2837'
	08:00 - 11:00	3.00	DRILL P			PROD1	DRILL OUT DIRECTIONAL FROM 2837' TO 2867'.
	11:00 - 12:00	1.00	DRILL P			PROD1	WORK TIGHT HOLE, REGAIN FREE POINT & CIRCULATION RETURNS.
	12:00 - 15:00	3.00	DRILL P			PROD1	CONDITION MUD FROM 31 TO 45 VIS. & FROM 25 TO 6 WATER LOSS CONTROL. CIRCULATE WELL. PREPARE TO TOH.

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Spud Date: 12/12/2003
 End: 1/3/2004
 Start: 12/8/2003
 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/17/2003	15:00 - 16:00	1.00	DRILL	N	DPRB	PROD1	TOH TO CHANGE BHA & INSPECT BIT.
	16:00 - 18:45	2.75	DRILL	N		PROD1	TOH TO CHANGE BHA & INSPECT BIT.
	18:45 - 19:45	1.00	DRILL	N		PROD1	LD/DRILL COLLARS & DIRECTIONAL TOOLS. LOST # 1 CONE, SECOND CONE WAS FIXING TO BREAK LOOSE.
	19:45 - 23:00	3.25	DRILL	N	WAIT	PROD1	WAITED ON FISHERMAN & TOOLS. PREPARE BHA. TALLY PIPE.
	23:00 - 00:00	1.00	DRILL	N		PROD1	MAKE UP FISHING TOOLS, (MAGNET) & BHA. PICK UP 12 DRILL COLLARS.
12/18/2003	00:00 - 04:00	4.00	DRILL	N	DPRB	PROD1	TIH W/ MAGNET. TAGGED @ 2855'
	04:00 - 05:00	1.00	DRILL	N	DPRB	PROD1	WASH OUT HOLE TO 2868' ATTEMPT TO GET FISH. (BIT CONE).
	05:00 - 07:30	2.50	DRILL	N		PROD1	TOH. (DID NOT GET FISH). MAGNET CAME OUT WITH ABOUT 3" DIAMETER CIRCLE MARKINGS IN IT.
	07:30 - 08:00	0.50	DRILL	N		PROD1	LD/ FISHING TOOLS & MAKE UP GLOBE BASKET.
	08:00 - 09:00	1.00	DRILL	N		PROD1	SERVICE ALL ENGINES ON LOCATION.
	09:00 - 11:00	2.00	DRILL	N		PROD1	TIH W/GLOBE BASKET. TAGGED @ 2744'.
	11:00 - 14:15	3.25	DRILL	N		PROD1	WASH DOWN WHILE FISHING WITH GLOBE BASKET FROM 2744' TO 2869'. AT BOTTOM DROPPED BALL TO REVERSE CIRCULATION & ATTEMPT TO CATH FISH.
	14:15 - 17:30	3.25	DRILL	N		PROD1	TOH. INSPECTED GLOBE BASKET NO FISH RETRIEVED. DECIDED TO TIH W/BIT & ATTEMPT TO DRILL.
	17:30 - 20:30	3.00	DRILL	N		PROD1	TIH TO 2300' WITH 8-3/4" TYPE HAT 447YC-JZ BIT. HAD TO SHUT DOWN TO REPAIR RIG.
	20:30 - 22:30	2.00	DRILL	N	RREP	PROD1	THREADS ON DRAWWORKS LINKAGE PULLED OUT OF ADJUSTMENT BAR. WELDER CAME OUT TO REPAIR IT.
12/19/2003	22:30 - 00:00	1.50	DRILL	N		PROD1	CONTINUE TO TIH.
	00:00 - 03:30	3.50	FISH	N		PROD1	WASH & RIM HOLE, FROM 2723' TO 2868' WITH NEW BIT. ONCE ON BOTTOM IT NEVER TORQUED UP OR BOUNCED, IT ACTED THE SAME WAY WITH 5K OR 40 K ON BIT.
	03:30 - 04:00	0.50	FISH	N		PROD1	CONDITION MUD & CIRCULATE HOLE.
	04:00 - 07:00	3.00	FISH	N		PROD1	DRILLED ON BOTTOM, ATTEMPTED TO KICK OUT JUNK WITH BIT.
	07:00 - 10:00	3.00	FISH	N		PROD1	TOH. BIT CAME OUT WITH INSIDE TOOTH OF CONES BUSTED OFF.
	10:00 - 12:15	2.25	FISH	N		PROD1	MAKE UP CONE BUSTER MILL. TIH. WENT DOWN TO 1240' HOLE BECAME TIGHT. WORKED MILL TROUGH.
	12:15 - 13:30	1.25	FISH	N		PROD1	BUILD UP VOLUME, CONDITION MUD & CIRCULATE WELL.
	13:30 - 16:00	2.50	FISH	N		PROD1	CONTINUE TO GO DOWN HOLE, AS WE WERE GOING DOWN HAD TO REAM ON HOLE THROUGH OUT
	16:00 - 18:15	2.25	FISH	N		PROD1	CONTINUED TO GO DOWN REAMING HOLE, TIH TO 2435' TBG. BECAME STUCK.
	18:15 - 21:45	3.50	FISH	N		PROD1	WORKED STUCK PIPE. TRY TO GET IT LOOSE, NO SUCCESS.
	21:45 - 22:15	0.50	FISH	N		PROD1	SAFETY MEETING W/ WIRELINE PERSONEL, WEATHERFORD, TOOL PUSHER & CREW.
	22:15 - 00:00	1.75	FISH	N		PROD1	RU/WIRELINE TRUCK, FREE POINT TBG. ON TENSION TEST IT SHOWED COLLARS TO BE FREE. ON TORQUE IT SHOWED 9 BOTTOM COLLARS TO BE STUCK. (DIFFERENTIAL STUCK).
12/20/2003	00:00 - 00:45	0.75	FISH	N		PROD1	WAITING ON ORDERS AFTER FREE POINTING PIPE.
	00:45 - 01:30	0.75	FISH	N		PROD1	RD/WIRE LINE.
	01:30 - 02:30	1.00	FISH	N		PROD1	WASH OUT PIT. DECIDED TO DISPLACE HOLE WITH

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Spud Date: 12/12/2003
 Start: 12/8/2003
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 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/20/2003	01:30 - 02:30	1.00	FISH	N		PROD1	FRESH WATER.
	02:30 - 09:00	6.50	FISH	N		PROD1	JAR PIPE WHILE CIRCULATING HOLE WITH FRESH WATER. (NO SUCCESS). PULLED UP TO 130,000 LBS. PIPE WILL NOT GO UP, DOWN OR ROTATE.
	09:00 - 13:30	4.50	FISH	N	RREP	PROD1	REPAIRED CLUTCH ON RIG.
	13:30 - 15:00	1.50	FISH	N		PROD1	WORKED STUCK PIPE WHILE CIRCULATING WELL WITH 2 PUMPS @ 1800 PSI. & FRESH WATER. RECOVERED LOTS OF SHALE PIECES, LARGE & SMALL.
	15:00 - 15:30	0.50	FISH	N		PROD1	SAFETY MEETING WITH WEATHERFORD AIR HANDS. REVIEWED OPERATIONS.
	15:30 - 17:00	1.50	FISH	N		PROD1	RU/MANIFOLD, PRESSURE TESTED AIR LINES.
	17:00 - 19:30	2.50	FISH	N		PROD1	CIRCULATE WELL WITH AIR, UNLOADED HOLE. RAN 10 BBLS SWEEPS 8 OF THEM.
	19:30 - 22:30	3.00	FISH	N		PROD1	CONDITION MUD, CIRCULATE HOLE. IT TOOK 80 BBLS DRINK. STABLISH CIRCULATION.
	22:30 - 23:00	0.50	FISH	N		PROD1	SAFETY MEETING WITH WIRELINE PERSONNEL.
	23:00 - 00:00	1.00	FISH	N		PROD1	RU/WIRELINE, FREE POINT TBG.
12/21/2003	00:00 - 00:30	0.50	FISH	N		PROD1	TRY TO WORK DRILL PIPE LOOSE. (DID NOT GET IT TO MOVE).
	00:30 - 01:30	1.00	FISH	N		PROD1	BACK OFF DRILL COLLARS. LD/WIRELINE.
	01:30 - 04:30	3.00	FISH	N		PROD1	TOH. RECOVERED 69 JTS OF DRILL PIPE & 8 DRILL COLLARS. LEFT MILL, XO-SIB. JUNK BASKET, XO-SUB & 2 DRILL COLLARS. TOP OF FISH @ 2380'.
	04:30 - 05:30	1.00	FISH	N		PROD1	PICK UP USE BIT STARTED TO GO IN HOLE. HAD TO SHUT DOWN FOR RIG REPAIRS. TRANSMISSION PROBLEMS.
12/22/2003	05:30 - 06:00	0.50	FISH	N		PROD1	RIG & EQUIPMENT SERVICE.
	06:00 - 00:00	18.00	FISH	N		PROD1	RIG REPAIR. WAITING ON TRANSMISSION.
	00:00 - 19:00	19.00	FISH	N	RREP	PROD1	REPLACED RIG TRANSMISSION.
	19:00 - 20:30	1.50	FISH	N		PROD1	TOH, TO RECOUNT PIPE, REPLACE JAWS DICE.
	20:30 - 21:00	0.50	FISH	N		PROD1	ADJUSTED RACKS TO PICK UP PIPE. TALLY DRILL PIPE.
	21:00 - 22:45	1.75	FISH	N		PROD1	TIH W/ BIT, TAGGED @ 2081'.
12/23/2003	22:45 - 00:00	1.25	FISH	N		PROD1	BREAK CIRCULATION, WASH DOWN TO 2374' CIRCULATE ON TOP OF FISH.
	00:00 - 02:30	2.50	FISH	N		PROD1	CIRCULATR ON TOP OF FISH. MADE SURE WE HAD NO FILL AND WE WERE GOING TO BE ABLE TO SCREW BACK INTO IT.
	02:30 - 03:30	1.00	FISH	N		PROD1	STARTED TO POH, HAD TO SHUT DOWN TO REPLACE SLIPS DIES.
	03:30 - 04:15	0.75	FISH	N		PROD1	REPLACE SLIP DIES.
	04:15 - 06:00	1.75	FISH	N		PROD1	POH W/ BIT.
	06:00 - 08:00	2.00	FISH	N		PROD1	RU/ BHA. TO GO AFTER FISH.
	08:00 - 10:30	2.50	FISH	N		PROD1	TIH. W/ JARS. SHUT DOWN, FOUND A BAD SPOT ON DRILL LINE.
	10:30 - 13:30	3.00	FISH	N	RREP	PROD1	REPLACED 100' OF DRILL LINE.
	13:30 - 15:00	1.50	FISH	N		PROD1	TRY TO SCREW INTO COLLARS, FOUND FILL ON TOP OF COLLARS.
	15:00 - 16:00	1.00	FISH	N		PROD1	CIRCULATE ON TOP OF FISH. SCREW INTO FISH.
	16:00 - 21:45	5.75	FISH	N		PROD1	LATCH INTO FISH, JAR FISH FRE AND OUT OF HOLE. LD/BHA.
	21:45 - 22:30	0.75	FISH	N		PROD1	MAKE UP BHA. RAN 8-5/8" MILL, JUNK BASKET, SET OF JARS & 6 DRILL COLLARS.
	22:30 - 00:00	1.50	FISH	N		PROD1	TIH W/ MILL.

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Start: 12/8/2003
 Rig Release: 1/3/2004
 Rig Number: 507
 Spud Date: 12/12/2003
 End: 1/3/2004

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/24/2003	00:00 - 01:15	1.25	FISH	N	DPRB	PROD1	RIH W/ MILL ,CCLS & DP.
	01:15 - 01:45	0.50	FISH	N	DPRB	PROD1	HIT BRIDGE @ 1472', BREAK CIRC. & WASH THROUGH BRIDGE.
	01:45 - 02:30	0.75	FISH	N	DPRB	PROD1	TIH W/ REST OF DP.
	02:30 - 04:00	1.50	FISH	N	DPRB	PROD1	LOAD OUT 20 JTS DP ON RACKS.
	04:00 - 04:30	0.50	FISH	N	DPRB	PROD1	TIH W/ DP & TAG @ 2654', BREAK CIRC & WASH TO TOP OF FISH, MILL FISH F/ 2868 TO 2870'.
	04:30 - 08:00	3.50	FISH	N	DPRB	PROD1	MILL ON JUNK @ 2870'. MILL TO 2872'.
	08:00 - 10:00	2.00	FISH	N	DPRB	PROD1	START OUT OF HOLE W/ DP.
	10:00 - 11:30	1.50	FISH	N	SFAL	PROD1	SD TO WORK ON IRON ROUGHNECKS.
	11:30 - 12:30	1.00	FISH	N	DPRB	PROD1	TOH W/ DP.
	12:30 - 13:00	0.50	FISH	N	SFAL	PROD1	WORK ON TONGS, COULD NOT BREAK DP., BTM JAWS NOT BITING CORRECTLY.
	13:00 - 16:00	3.00	FISH	N	DPRB	PROD1	TOH W/ REST OF DP & MILL.
	16:00 - 17:30	1.50	DRILL	P	PROD1	PROD1	PU BIT & LOAD HWDP ON RACKS, STRAP PIPE.
	17:30 - 20:00	2.50	DRILL	P	PROD1	PROD1	TIH W/ BIT, HWDP, DP.TIH & TAG @ 2868'.
	20:00 - 00:00	4.00	DRILL	P	PROD1	PROD1	DRL F/ 2868' TO 2872', TAG JUNK & FEATHER THROUGH JUNK, DRL F/ 2872' TO 2920'. WORKED PIPE THROUGH JUNK ,TOOK APROX 2 HRS TO WORK JUNK OUT OF THE WAY.
12/25/2003	00:00 - 05:45	5.75	DRILL	P		PROD1	DRLG F/ 2920' TO 3076'. TD 7" PROD STRING.
	05:45 - 07:45	2.00	DRILL	P		PROD1	CIRC & CONDITION HOLE. MW - 9.2, VIS - 66, WL - 9
	07:45 - 08:00	0.25	DRILL	P		PROD1	TOH W/ 10 JTS DP.
	08:00 - 08:30	0.50	DRILL	P		PROD1	TIH W/ 10 JTS DP, NO FILL NOTED.
	08:30 - 09:30	1.00	DRILL	P		PROD1	CIRCULATE HOLE CLEAN & PREP TO TOH.
	09:30 - 10:15	0.75	DRILL	N	RREP	PROD1	RIG REPAIR , CUT OF SLICKLINE ON SURVEY MACHINE. CUT 2000' OF LINE.
	10:15 - 11:00	0.75	DRILL	P		PROD1	TIH W/ 14 DEGREE SURVEY TOOL & SURVEY WELL @ 3066' , WELL OUT 7 3/4 DEGREES.
	11:00 - 15:30	4.50	DRILL	P		PROD1	TOH W/ DP, HWDP & BIT.
	15:30 - 16:00	0.50	CASE	P		PROD1	RU CSG TOOLS.
	16:00 - 18:00	2.00	CASE	P		PROD1	CHANGE OUT RAMS IN BOP, LOAD PIPE ON RACKS, CHANGE OUT VALVES ON WELL HEAD.
	18:00 - 22:45	4.75	CASE	P		PROD1	TIH W/ SHOE, I JT 23# N-80 CSG, FLOAT CCL, 4 JTS N-80 CSG, RUN 71 JTS J-55 20# CSG. INSTALL LANDING JT & CIRC JT TO 3073'.
	22:45 - 23:00	0.25	CASE	P		PROD1	LAND MANDREL & CIRCULATE WELL, RU CMT'RS & HELD SAFETY MTG WHILE CIRCULATING WELL.
	23:00 - 00:00	1.00	CEMT	P		PROD1	PRESSURE TST LINES TO 2500#, PUMPED WTR & START SCAVENGER CMT, PUMPED 22.9 BBLs SCAVENGER & PUMPED WTR W/ DYE, START CMT & PUMPED 206 BBLs CMT, PLG DN @ MIDNIGHT, PUMPED 50 BBLs CMT TO PIT, BUMPED PLG W/ 1258#, BLEED OFF PRESS & FLOAT HELD OK.
12/26/2003	00:00 - 08:00	8.00	CEMT	P		PROD1	WOC, ND LANDING JT, C/O CELLAR, RU CIRC LINES, LOAD RACKS W/ CCLS & DP
	08:00 - 16:00	8.00	CEMT	P		PROD1	SDF HOLIDAY.
12/27/2003	16:00 - 00:00	8.00	CEMT	P		PROD1	SDF HOLIDAY
	00:00 - 08:00	8.00	CEMT	P		PROD1	SDF HOLIDAY.
	08:00 - 09:00	1.00	DRILL	N	WAIT	PROD1	SD NO CREW ON LOCATION, CREW TO BE ON LOCATION @ 06:00 & DID NOT GET TO LOCATION UNTIL 09:00 HRS, CREW CHANGES ARE F/ 06:00 TO 02:00, 02:00 TO 10:00, 10:00 TO 06:00 NORMAL.

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Spud Date: 12/12/2003
 Start: 12/8/2003
 End: 1/3/2004
 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/27/2003	09:00 - 09:30	0.50	DRILL	P		PROD1	HELD JHA, COLD WEATHER, FROZEN LINES, TRAPPED PRESSURE, 8 GOLDEN RULES, TRIPPING PROCEDURES.
	09:30 - 13:30	4.00	DRILL	P		PROD1	RU CIRC. EQUIP, CHANGE OVER TOOLS, RU MANIFOLD LINES FOR AIR, PREP PIPE & BHA
	13:30 - 14:00	0.50	DRILL	P		PROD1	PU BIT #6 & TST AIR HAMMER ON FLOOR.
	14:00 - 16:00	2.00	DRILL	P		PROD1	TIH W/ HAMMER & DP TO 1998'. PRESS TST CSG & PIPE RAMS 250# LOW & 750# HIGH FOR 10 MIN EA. TST'D OK.
	16:00 - 19:00	3.00	DRILL	P		PROD1	LOAD DP ON RACKS & TALLY, FOUND AIR LINE TO BE FROZEN, THAWED AIR LINES F/ AIR COMPRESSORS, UNLOAD HOLE W/ AIR
	19:00 - 20:00	1.00	DRILL	P		PROD1	TIH W/ DP, TAG CMT @ 3016'.
	20:00 - 20:15	0.25	DRILL	P		PROD1	TIH W/ SURVEY TOOL TO RESURVEY HOLE, BOTH PINS HAD GOOD HITS & SURVEY READ 14 DEGREES OUT, SURVEY LOOKED VERY GOOD THIS SHOT.
	20:15 - 22:45	2.50	DRILL	P		PROD1	UNLOAD HOLE W/ AIR & DRL CMT F/ 3016' TO 3074', C/O TO 3077' & BLOW HOLE DRY.
12/28/2003	22:45 - 00:00	1.25	DRILL	P		PROD1	DRL AIR HOLE F/ 3069' TO 3200'. HOLE DUSTING GOOD. AIR PRESS - 520#.
	00:00 - 03:30	3.50	DRILL	P		PROD1	DRL F/ 3200' TO 3501'. HOLE WET @ 3430', WORKED PIPE & TRIED TO DRY UP HOLE.
	03:30 - 06:30	3.00	DRILL	P		PROD1	CIRCULATE & WORK PIPE TO TRY & DRY UP HOLE, HOLE WOULD NOT DRY UP, DROP SOAP & CIRC. W/ AIR TO DRY UP HOLE & HOLE WOULD NOT DRY, FORMATION MAT'L MAKING GOOD MUD BALLS.
	06:30 - 08:00	1.50	DRILL	P		PROD1	TOH W/ DP TO SHOE, FIRST 4 JTS VERY TIGHT, HAD TO WORK MUD RINGS OFF PIPE, START MIST & CIRCULATE W/ MIST, CLEAN OFF MUD RINGS & PULLED PIPE TO 2500'.
	08:00 - 09:30	1.50	DRILL	P		PROD1	TIH W/ HAMMER & DP TO SHOE @ 3069'. WO COMPRESSOR TO MIST DRL WELL. WORK PIPE RAMS.
	09:30 - 16:00	6.50	DRILL	P		PROD1	WO COMPRESSOR, SET COMPRESSOR & RAN LINES, PRESS TST LINES TO 1300#, TST OK. THAW OUT MIST TNK EQUIP.
	16:00 - 16:30	0.50	DRILL	P		PROD1	THAW OUT REST OF LINES & PREP TO DRL.
	16:30 - 22:45	6.25	DRILL	P		PROD1	DRL F/ 3501' TO 4081'. PU WT - 79K, SO WT - 60K, ROT WT - 67K.
12/29/2003	22:45 - 23:00	0.25	DRILL	P		PROD1	CIRC WELL W/ MIST, 2500 CFM AIR, 2 GAL SOAP PER 20 BBLS WTR, 1 GAL/20 SHALE TREAT, 1/2 GAL/20 CORROSION INHIB.
	23:00 - 00:00	1.00	DRILL	P		PROD1	SHORT TRIP PIPE TO RETRIEVE STRING FLOAT, PULLED 17 JTS PIPE & PREP TO TIH.
	00:00 - 00:30	0.50	DRILL	P		PROD1	TIH W/ HAMMER & BIT.
	00:30 - 01:00	0.50	DRILL	P		PROD1	BREAK CIRC W/ AIR & MIST.
	01:00 - 08:00	7.00	DRILL	P		PROD1	DRLG F/ 4081' TO 4545'. W/ AIR & MIST, 2700 CFM AIR, 2 GAL SOAP PER 20 BBLS WTR, 1 GAL SHALE TREAT PER 20, 1/2 GAL CORROSION INHIBITOR PER 20. PU WT - 84K, SO WT - 66K, RROT WT - 74K.
	08:00 - 13:45	5.75	DRILL	P		PROD1	DRLG F/ 4545' TO 4984'.
	13:45 - 14:00	0.25	DRILL	P		PROD1	RIG SERVICE, BOP DRILL, INSPECT BRAKES & HELD EVAC DRL.
	14:00 - 16:00	2.00	DRILL	P		PROD1	DRL F/ 4984' TO 5110'.
	16:00 - 19:30	3.50	DRILL	P		PROD1	DRL F/ 5110' TO 5299'. AIR BY PASS LINE BLEW OFF BLOOIE LINE, SD & BLED DN AIR & PREP TO TOH TO

Operations Summary Report

Legal Well Name: FLORANCE I 38 B
 Common Well Name: FLORANCE I 38 B
 Event Name: ORIG DRILLING
 Contractor Name: AZTEC WELL SERVICING
 Rig Name: AZTEC 507

Spud Date: 12/12/2003
 Start: 12/8/2003
 End: 1/3/2004
 Rig Release: 1/3/2004
 Rig Number: 507

Date	From - To	Hours	Task	Code	NPT	Phase	Description of Operations
12/29/2003	16:00 - 19:30	3.50	DRILL	P		PROD1	SHOE.
	19:30 - 20:30	1.00	DRILL	N	RREP	PROD1	TOH TO REPAIR BLOOIE LINE & TRANSMISSION ACTING UP , COULD NOT PULL LOAD EXCEPT IN FIRST GEAR.
	20:30 - 00:00	3.50	DRILL	N	RREP	PROD1	TRANSMISSION OVER HEATING, WORK PIPE TO SHOE BEFORE MECHANICS ARRIVE, TORQUE CONVERTER BAD ON TRANSMISSION. PULL NEW TRANSMISSION.
12/30/2003	00:00 - 08:00	8.00	DRILL	N	RREP	PROD1	RIG REPAIR, TORQUE CONVERTER & TRANSMISSION.
	08:00 - 16:00	8.00	DRILL	N	RREP	PROD1	RIG REPAIR, TORQUE CONVERTER & TRANSMISSION.
	16:00 - 00:00	8.00	DRILL	N	RREP	PROD1	RIG REPAIR, TORQUE CONVERTER & TRANSMISSION.
12/31/2003	00:00 - 08:00	8.00	DRILL	N	RREP	PROD1	REPLACE & REPAIR RIG TRANSMISSION.
	08:00 - 16:00	8.00	DRILL	N	RREP	PROD1	REPLACE & REPAIR RIG TRANSMISSION, HOOK UP TRANSMISSION & COULD NOT GET TRANSMISSION TO WORK , TEAR OUT TRANSMISSION & WO NEW EQUIP.
1/1/2004	16:00 - 00:00	8.00	DRILL	N	RREP	PROD1	WO NEW TRANSMISSION.
	00:00 - 08:00	8.00	DRILL	N	RREP	PROD1	WO TRANSMISSION, INSTALL TRANSMISSION. RIG REPAIR
	08:00 - 10:45	2.75	DRILL	N	RREP	PROD1	INSTALL TRANSMISSION & TST TRANSMISSION. RIG REPAIR
	10:45 - 12:30	1.75	DRILL	N	RREP	PROD1	RIG REPAIR, TOH W/ AIR HAMMER , LD HAMMER.
	12:30 - 13:00	0.50	DRILL	N	RREP	PROD1	LOAD OUT 10, 4 3/4" DC'S, STRAP CCLS & GET ID'S & OD'S., RIG REPAIR
	13:00 - 13:15	0.25	DRILL	N	RREP	PROD1	MAKE UP 6 1/4" BIT. RIG REPAIR
	13:15 - 16:00	2.75	DRILL	N	RREP	PROD1	RIG REPAIR, TIH W/ 6 1/4" BIT, CCLS & DP.
	16:00 - 16:30	0.50	DRILL	N	RREP	PROD1	RIG REPAIR, TIH W/ BIT TO 3411'.
	16:30 - 16:45	0.25	DRILL	N	RREP	PROD1	CIRC HOLE CLEAN, APROX 3 BBLS WTR TO PIT.
	16:45 - 23:00	6.25	DRILL	N	RREP	PROD1	TIH & TAG @ 5118', REAM TO BTM OF 5299'.
	23:00 - 00:00	1.00	DRILL	P		PROD1	DRL F/ 5299' TO 5339'. DRL W/ AIR MIST, 10 BBLS PER HR, W/ 2 GAL SOAP PER 20 BBLS WTR, 1 GAL DIAONIC 900
1/2/2004	00:00 - 08:00	8.00	DRILL	P		PROD1	PER 20 B.W., 1/2 GAL CORROSION INHIBITOR PER 20 B.W. DRL F/ 5339' TO 5805'. PU WT - 130K, SO WT - 90K, ROT WT - 108K. 2600 CFM AIR, 2 GAL SOAP PER 20 B.W. 1 GAL DIAONIC 900, 1/2 GAL CORROSION INHIBITOR PER 20 B.W.
	08:00 - 11:15	3.25	DRILL	P		PROD1	DRL F/ 5805' TO 6238', TD WELL @..... 6238'.....
	11:15 - 12:15	1.00	DRILL	P		PROD1	PU WT - 140K, SO WT - 95K, ROT WT - 114K. CIRC AIR PRESS 580# TO 620# BLOW HOLE & CIRC W/ AIR & MIST, INCREASE FORMATION INHIBITOR TO 2 GAL PER 20 B.W. SERVICE RIG & ACCTUATE PIPE RAMS.