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DRILLING REPORT

State Lease #B-8617

S. P. Yates - Spurck "F" State #5 - 16-17S-28E, Eddy County, New Mexico Oct 1st started pumping at noon. SI well down Tuesday 10-5-76 morning Oct. 5 at 7:30 AM. Well pumped 88 hours. Total fluid - 391 bbls - 107 BWPD - average - 12 bbls - 3.3 BOPD - average Total oil 379 - Total Int. Well head oil cut appeared constand day to day. Pulled rods and tubing, set wireline plug at 3400'. Hit 10-5-76 fluid at 800' going in with plug SD time 3 hours. Dumped 15' of cement on plug. Perforated 2511-2516 - 10 shots; 2521-2530' - 18 shots. Ran tubing and packer to 2527.43' Set 30", no increase in fluid. Small blow on casing. 10-6-76 -Well SION. Ram swab. Fluid level 2300' - small blow on casing, spotted acid and broke down to 4000#. Pumped 3 bbls /min at 1500#. Dropped 33 balls - no action. ISDP 1100#, _1000# in 10". Flowed back all of flush water - some acid $\int_{U} f_{uc} f_{gr}$ water. Unseated packer and lowered tubing 3 joints to 2495'. ${\mathscr F}_{\cdot}$ Started to swabbing at 2:00 PM in pit. Swabbed down to 2400'. SION. Light show of oil. Light blow on tubing - 40 # press on casing. Hit fluid at 10-7-76 -2100' on first run - good show of oil - test 30% oil on first run pulled about 400' of fluid. Swabbed down to XXX 2400'. Started in bbls at 9:45 PM - 30# on casing. Pulled lo gallons 1st run - SD to change cups. 9:45-10:45 - 42 gallons - 40 gal water 2 oil - 30# cp. Pulled swab at 10:35 - no fluid. 18 11:15 - 5 wt - 7 gal. oil - 30# CP. 12:00 - no fluid - 35# CP 11 12:30 - 2 wt - 8 oil (gallons) . Water appears to be acid water, although not evaluated. 10-8-76 -No report. Slaughter "B" zone. Ran tubing and rods and put on pump 10-9-76 -10-10-76 - Flowed and pumped back 110 BLW. 10-11-76 - Pumped back 79 BLW. No show of oil or gas. 10-12-76 - Pumping back load. 10-13-76 - Pumping back load. 10-14-76 - Pumping back load. 10-15-76 -Pumped 96 BW and 7 BO-10-16-22-76 - Recovering load. 10-23-29-76 - Recovering load.

10-30-11-5-76 - Recovering load.